

CURRENT HISTORY



Startling Increase in Divorce
Anglo-Japanese Alliance Menace
Was the War Won in the East?
Why the Greeks Are Fighting Turkey
Has Czechoslovakia Statehood Rights?
Poland's Jewish Attitude Defended
Trade Unions Ruining England
The Origin of the Human Race
A Plea for the Turks

The Best Mattress Is Made
Better by Using a

Quilted Mattress Protector



This Label Protects You

It's like sleeping on air to sleep on a Quilted Protector. They are made of the finest materials money can buy. Quilted in the Excelsior way that keeps them light, soft and fluffy even after long use and washing. Made in all sizes to fit any bed and crib.

Because of their many features, they are especially suited to use on Baby's Crib. They protect the child as well as the mattress—save time and labor.

Endorsed by Physicians and Used
by the Best Families Who Know

See that Trademark is stitched in
corner of every Protector
you purchase.

THE EXCELSIOR QUILTING CO.

15 Laight Street, New York City

What 15 Cents Will bring YOU From the Nation's Capital

The little matter of 15c will bring you the Pathfinder thirteen weeks on trial. The Pathfinder is a cheerful illustrated weekly, published at the Nation's center, for people everywhere; an independent home paper that tells the story of the world's news in an interesting, understandable way. Now in its 29th year. This splendid National weekly supplies a long-felt want; it costs but \$1 a year. If you want to know what is going on in the world, this is your means. If you want a paper in your home which is reliable and wholesome; if you would appreciate a paper which puts everything clearly, briefly, entertainingly—here it is. Splendid serial and short stories and miscellany. The Question Box answers YOUR questions and is a mine of information. Send 15c to show that you might like such a paper, and we will send the Pathfinder on probation 13 weeks. The 15c does not repay us, but we are glad to invest in new friends. Address: The Pathfinder, 221 Langdon Sta., Washington, D. C.

COSTUMES FOR SCHOOL PLAYS

Made to Order, for Sale or Hire, by
CHARLES CHRISDIE & CO.

Theatrical Costumers



We supply everything for Amateur Theatricals, Historical Pageants, Moving Pictures, Stock Companies, Ball Masques, etc.

562 SEVENTH AVE., NEW YORK
Telephone Bryant 2449

Personal Coaching

You are personally
attended here from
the time you come
in until you leave.

Fat men and lean
men don't look a bit
alike to us.

McGovern's Gymnasium

Durland's Riding Academy
5 West 66th Street
New York City.

TELEPHONES: Columbus 2928-10134-9100

CURRENT HISTORY

A MONTHLY MAGAZINE OF

The New York Times

PUBLISHED BY THE NEW YORK TIMES COMPANY, TIMES SQUARE, NEW YORK, N. Y.

Vol. XIV., No. 5

AUGUST, 1921

35 Cents a Copy
\$4.00 a Year

TABLE OF CONTENTS

	PAGE
FRONTISPIECE PORTRAIT AND ILLUSTRATION:	
Charles G. Dawes, Director of the Budget	723
William H. Taft Taking Oath as Chief Justice	726
THE CALL FOR A DISARMAMENT CONFERENCE	727
SANTO DOMINGO TO BE FREE By Horace G. Knowles	733
MENACE OF THE ANGLO-JAPANESE ALLIANCE	
By George L. Koehn	738
THE PLIGHT OF CHINA By Jesse Willis Jefferis	742
CHINA AND THE ANGLO-JAPANESE ALLIANCE	
By Sao-Ke Alfred Sze	746
DOCUMENTS BEARING ON CHINA'S DESTINY	749
MUSTAPHA KEMAL AND THE GREEK WAR . . . By Clair Price	754
WHY THE GREEKS ARE FIGHTING TURKEY	
By Adamantios Th. Polyzoides	761
THE QUEST FOR THE "MISSING LINK"	
By Frank Parker Stockbridge	767
THE JEWISH PROBLEM IN POLAND . . . By James Jay Kann	776
INTERNATIONAL CARTOONS OF CURRENT EVENTS . . .	781
HOW TRADE UNIONS ARE RUINING BRITISH INDUSTRY	
By J. Ellis Barker	795
DEBTS OF FOREIGN GOVERNMENTS DUE UNITED STATES	802
SWITZERLAND'S DISPUTE WITH FRANCE	
By M. E. de Gourmois	803
THE POLISH LEGISLATURE AT WORK . . . By Preston Lockwood	807
SANTO DOMINGO'S TITLE TO INDEPENDENCE	
By H. S. Krippene	809
THE AMERICAN EXIT FROM SANTO DOMINGO	813
THE RAPID INCREASE OF DIVORCE . . . By Gustavus Myers	816
AMERICAN CLAIMS AGAINST GERMANY	822
GREEK MOBILIZATION NOT SUSPENDED	
By Efthymius A. Gregory	825

Contents Continued on Next Page

Copyright, 1921, by The New York Times Company. All Rights Reserved.
Entered at the Post Office in New York and in Canada as Second Class Matter.

Table of Contents—Continued

	PAGE
THE WAR WON ON THE EASTERN FRONT	
By Captain Gordon Gordon-Smith	826
MME. CURIE'S FAMILY	By Mrs. Louis Czajkova 833
THE DJAMBI OIL CONTROVERSY	By J. H. Muurling 833
THE UPBUILDING OF CZECHOSLOVAKIA	By J. H. Wallis 835
CZECHOSLOVAKIA'S RIGHT TO STATEHOOD ASSAILED	
By Anthony Pessenlehner, LL. D.	845
THE BRITISH IMPERIAL CONFERENCE	849
A TRUCE IN THE IRISH WARFARE	851
CANADA AND OTHER BRITISH DOMINIONS	855
GREAT ISSUES THAT DISTURB FRANCE	857
ITALY UNDER A NEW CABINET	860
AUSTRIA UNDER A NEW MINISTRY	862
GERMANY'S EFFORTS TO MEET HER OBLIGATIONS	863
HUNGARY'S STRUGGLE FOR A SECURE FOOTING	867
BELGIUM NOW LUXEMBURG'S PROTECTOR	869
THE CZECHOSLOVAK ALLIANCE WITH RUMANIA	870
ALBANIA'S FEUD WITH GREECE	872
THE LITTLE ENTENTE'S PROBLEMS	873
SCANDINAVIA'S FIGHT AGAINST BOLSHEVISM	874
RUSSIA IN DESPERATE STRAITS	876
UNION OF THE CAUCASUS STATES	878
THE ARMENIAN MASSACRES	By Arshag Mahdesian 879
THE CURIOUS MUDDLE OF THE GRECO-TURKISH WAR	880
HARD PROBLEMS IN PALESTINE AND MESOPOTAMIA	882
PERSIA'S PLANS UNDER NEW LEADERS	886
JAPAN FOR A CONCILIATORY FOREIGN POLICY	887
VLADIVOSTOK CAPTURED BY ANTI-BOLSHEVISTS	889
THE MEXICAN OIL CONTROVERSY	894
LAUNCHING THE CENTRAL AMERICAN UNION	897
GERMANY UNDERBIDS ALL RIVALS IN SOUTH AMERICA	899
CUBA'S TRIBUTE TO A FORMER PRESIDENT	901
PUTTING BUSINESS ON ITS FEET AGAIN	903

INDEX TO NATIONS TREATED

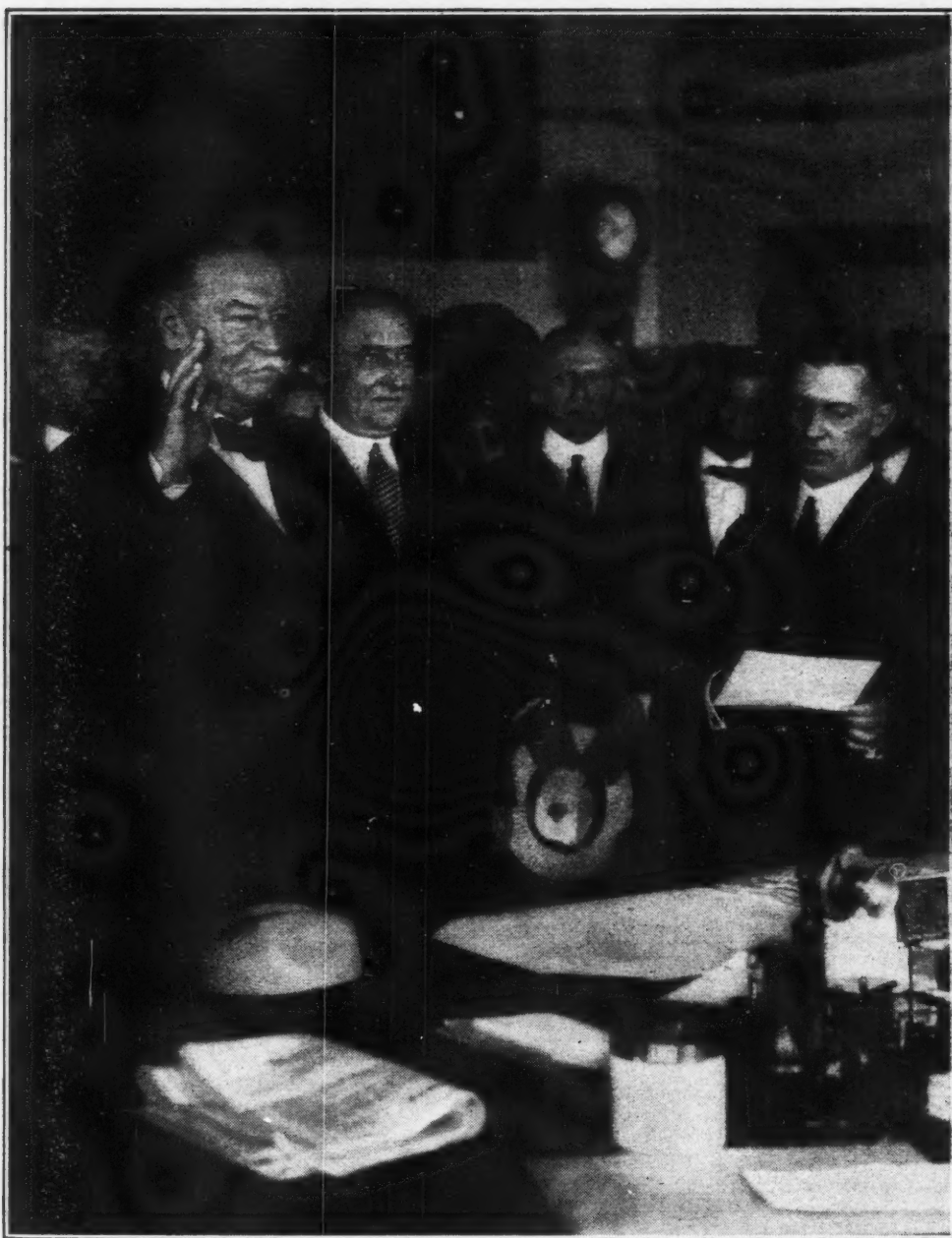
	PAGE		PAGE		PAGE
ALBANIA	872	DENMARK	875	PALESTINE	882
ARGENTINA	899	EGYPT	886	PERU	900
ARMENIA	879	ENGLAND	849	PERSIA	886, 898
AUSTRALIA	856	FRANCE	857	POLAND	807
AUSTRIA	862	GERMANY 822, 863, 869, 899		RUMANIA	870, 871, 873
AZERBAIJAN	878	GEORGIA	878	RUSSIA	876
BELGIUM	869	GREECE	825, 872, 880	SALVADOR	897
BRAZIL	899	GUATEMALA	897	SANTO DOMINGO	809, 813, 902
CANADA	832, 855	HAITI	902	SIBERIA	889
CAUCASUS STATES	878	HOLLAND	833, 869	SOUTH AFRICA	886
CENTRAL AMERICA	897	HUNGARY	867, 871	SOUTH AMERICA	899
CENTRAL AMERICAN		IRELAND	851	SPAIN	848
UNION	897	ITALY	860	SWEDEN	874
CHILE	900	JAPAN	887	SWITZERLAND	803
CHINA	742, 746, 749	JUGOSLAVIA	866, 873	TURKEY	880
COLOMBIA	900	LUXEMBURG	869	UNITED STATES	727
COSTA RICA	897	MESOPOTAMIA	882	UPPER SILESIA	863
CUBA	901	MEXICO	894	VENEZUELA	901
CZECHOSLOVAKIA	870, 835, 845, 873	NEW ZEALAND	856	WEST INDIES	901
		NICARAGUA	897		
		NORWAY	875		



(Photo International)

CHARLES GATES DAWES

Chicago financier and former Brigadier General in France, appointed Director of the Budget, being the first man to hold that newly created office



(Photo Underwood & Underwood)

EX-PRESIDENT TAFT TAKING THE OATH AS CHIEF JUSTICE

William Howard Taft, organizer of the American Government in the Philippines, and former President of the United States, is here seen taking the oath as Chief Justice of the United States Supreme Court. Beside him stands Attorney General Daugherty. On the extreme right, holding a paper in his hand, is Chief Justice Hoehling of the District of Columbia Supreme Court, who is administering the oath of office. Mr. Taft is the first man in the United States to hold both the office of President and that of Chief Justice

THE CALL FOR A DISARMAMENT CONFERENCE

President Harding's proposal meets with acceptance from all the powers invited to take part—Text of the Knox-Porter resolution declaring peace between this country and the Central Powers—Appointment of ex-President Taft as Chief Justice

[PERIOD ENDED JULY 15, 1921]

IN TENSE interest was aroused the world over by the proposition for a conference on the limitation of armaments which was issued by President Harding on July 10. This momentous action was announced in the United States through the following official statement:

The President, in view of the far-reaching importance of the question of limitation of armament, has approached with informal but definite inquiries the group of powers heretofore known as the principal allied and associated powers, that is, Great Britain, France, Italy and Japan, to ascertain whether it would be agreeable to them to take part in a conference on this subject, to be held in Washington at a time to be mutually agreed upon. If the proposal is found to be acceptable, formal invitations for such a conference will be issued.

It is manifest that the question of limitation of armament has a close relation to Pacific and Far Eastern problems, and the President has suggested that the powers especially interested in these problems should undertake in connection with this conference the consideration of all matters bearing upon their solution with a view to reaching a common understanding with respect to principles and policies in the Far East. This has been communicated to the powers concerned, and China has also been invited to take part in the discussion relating to Far Eastern problems.

The invitation to the armament parley received prompt acceptance from most of the powers concerned. France and Italy were enthusiastic, and Great Britain scarcely less so. Premier Briand of France stated that he himself would head the French delegation, although later it was in-

timated that, as the French Parliament would be in session in November, which it was assumed would be the month in which the conference would be held, it might prove impracticable for him to be absent from this country. China, which was invited to participate in the discussion of the Far Eastern problems, also sent a formal acceptance.

It was stated in Washington on July 14 that Japan had sent formal approval of the President's proposal for a conference of the great powers, but had limited her participation to discussion of the question of the limitation of armaments. She had not accepted the President's suggestion that the conference, in addition to discussing disarmament, should devote itself to problems affecting the Far East and the Pacific.

While the text of the Japanese response was not at that time made public, it was decided to view the communication as an acceptance of the proposal, and plans were at once begun for the holding of the conference. It was stated that the next step would be to issue formal invitations to the conference in the name of President Harding. While there had been informal suggestions from London that it would better suit the wishes of the British Government and the Dominion Premiers then in session there to have a preliminary conference in London, the Washington Administration construed the communications received from the four great powers and China as ac-

ceptances of the President's suggestions that the conference should take place in Washington. There had been no opposition to the President's tentative suggestion of Armistice Day, Nov. 11, as the date of opening.

The attitude of the foreign press in countries not included in the invitation was one of approval. Holland showed indications of wishing to be a participant in the conference owing to her large interests in the Pacific. The total surface of the Dutch Indian possessions exceeds 5,000,000 square miles. The success of the conference would solve for her the vital problem of the protection of her colonies.

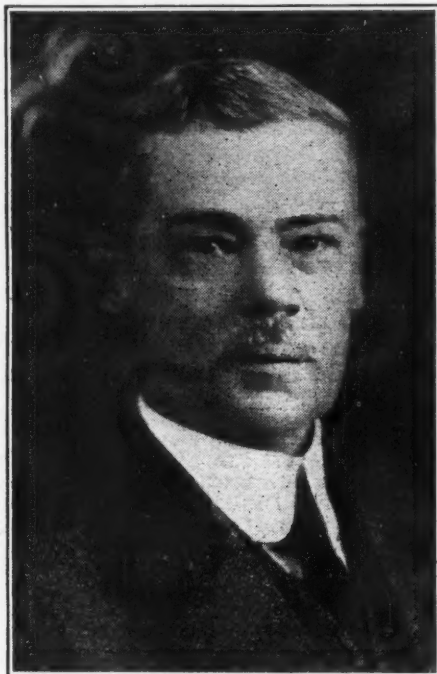
Prior to the issuance of the proposal the President's hands had been strengthened by the adoption of the Borah amendment, which had previously passed the Senate and was adopted in the House on June 29 by a vote of 330 to 4. Its passage followed the receipt of a letter from the President to the Republican leader, Mr. Mondell, embodying an appeal for an expression of opinion favorable to the limitation of armaments through international agreement. The large majority by which the amendment was passed was interpreted as largely due to the President's plea. The Borah amendment provided:

That the President is authorized and requested to invite the Governments of Great Britain and Japan to send representatives to a conference which shall be charged with the duty of promptly entering into an understanding or agreement by which the naval expenditures and building programs of said Governments—the United States, Great Britain and Japan—shall be reduced annually during the next five years to such an extent and upon such terms as may be agreed upon, which understanding or agreement is to be reported to the respective Governments for approval.

Although the amendment was concerned simply with naval disarmament and applied to three powers only, its passage was significant of the general Congressional attitude toward disarmament and gave the

moral backing of the House and Senate to the more comprehensive proposal of the President that followed.

The primary purpose of this Government in proposing that the conference should take up Far Eastern



(Keystone View Co.)

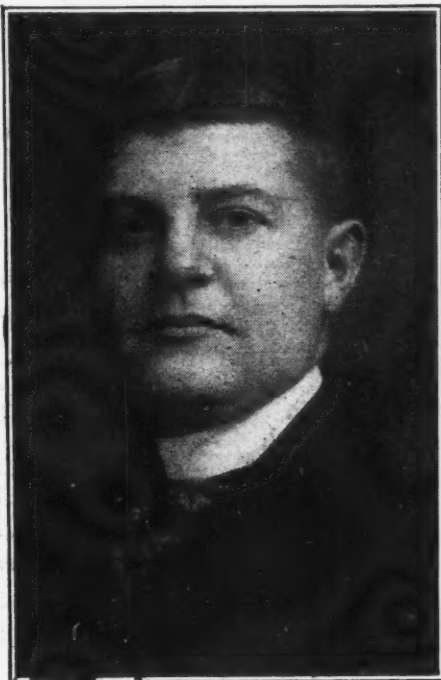
CYRUS E. WOODS

New Ambassador to Spain, succeeding Joseph E. Willard

and Pacific problems, as well as the question of the limitation of armaments, was born of a desire to remove causes of friction which, unless removed, might lead to war. The suggestion was understood to have the hearty approval of Great Britain, and especially of the Dominion Premiers then in session in London, the interests of whose countries were largely bound up with problems of the Pacific. It was also felt in London that such a conference would tend to clarify the vexing problems connected with the proposed renewal of the Anglo-Japanese treaty.

The other outstanding event of the month in the United States was the

signing by the President of the joint Congressional resolution which declared the war with Germany and Austria to be at an end. This resolution passed the House of Representatives on June 30 by a vote of



WILLIAM MILLER COLLIER
Newly appointed United States Ambassador to Chile

263 to 59. On the following day the Senate adopted it by a vote of 38 to 19. On July 2 it was signed by the President in the home of Senator Frelinghuysen at Raritan, N. J., where he was spending the week-end. The text of the resolution follows:

Joint resolution terminating the state of war between the imperial German Government and the United States of America and between the imperial and royal Austro-Hungarian Government and the United States of America.

Sec. 1. That the state of war declared to exist between the imperial German Government and the United States of America by the joint resolution of Congress approved April 6, 1917, is hereby declared at an end.

Sec. 2. That in making this declaration, and as a part of it, there are expressly reserved to the United States

of America and its nationals any and all rights, privileges, indemnities, reparations or advantages, together with the right to enforce the same, to which it or they have become entitled under the terms of the armistice signed Nov. 11, 1918, or any extension or modifications thereof; or which were acquired by or are in the possession of the United States of America by reason of its participation in the war or to which its nationals have thereby become rightfully entitled; or which, under the Treaty of Versailles, have been stipulated for its or their benefit; or to which it is entitled as one of the principal allied and associated powers; or to which it is entitled by virtue of any act or acts of Congress or otherwise.

Sec. 3. That the state of war declared to exist between the imperial and royal Austro-Hungarian Government and the United States of America, by the joint resolution of Congress approved Dec. 7, 1917, is hereby declared at an end.

Sec. 4. That in making this declaration, and as a part of it, there are expressly reserved to the United States of America and its nationals any and all rights, privileges, indemnities, reparations or advantages, together with the right to enforce the same, to which it or they have become entitled under the terms of the armistice signed Nov. 3, 1918, or any extensions or modifications thereof; or which were acquired by or are in the possession of the United States of America by reason of its participation in the war or to which its nationals have thereby become rightfully entitled; or which, under the Treaty of Saint Germain-en-Laye, or the Treaty of Trianon, have been stipulated for its or their benefit or to which it is entitled as one of the principal allied and associated powers; or to which it is entitled by virtue of any act or acts of Congress or otherwise.

Sec. 5. All property of the imperial German Government or its successor or successors and of all German nationals which was on April 6, 1917, in or has since that date come into the possession or under control of, or has been the subject of a demand by the United States of America or of any of its officers, agents or employees, from any source or by any agency whatsoever, and all property of the imperial and royal Austro-Hungarian Government, or its successor or successors, and of all Austro-Hungarian nationals which was on Dec. 7, 1917, in or has since that date come into the possession or under control of, or has been the subject of a demand by the United States of America or any of its officers, agents or employees, from any source or by any

agency whatsoever, shall be retained by the United States of America and no disposition thereof made except as shall have been heretofore or specifically hereafter shall be provided by law until such time as the imperial German Government and the imperial and royal Austro-Hungarian Government, or their successor or successors, shall have respectively made suitable provision for the satisfaction of all claims against said Governments respectively, of all persons, wheresoever domiciled, who owe permanent allegiance to the United States of America and who have suffered through the acts of the imperial German Government, or its agents, or the imperial and royal Austro-Hungarian Government, or its agents, since July 31, 1914, loss, damage or injury to their persons or property, directly or indirectly, whether through the ownership of shares of stock in German, Austro-Hungarian, American, or other corporations, or in consequence of hostilities, or of any operations of war or otherwise, and also shall have granted to persons owing permanent allegiance to the United States of America most-favored-nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, commerce and industrial property rights and until the imperial German Government and the imperial and royal Austro-Hungarian Government or their successor or successors shall have respectively confirmed to the United States of America all fines, forfeitures, penalties and seizures imposed or made by the United States of America during the war, whether in respect to the property of the imperial German Government or German nationals or the imperial and royal Austro-Hungarian Government or Austro-Hungarian nationals, and shall have waived any and all pecuniary claims against the United States of America.

Sec. 6. Nothing herein contained shall be construed to repeal, modify or amend the provisions of the joint resolution "declaring that certain acts of Congress, joint resolutions and proclamations shall be construed as if the war had ended and the present or existing emergency expired," approved March 3, 1921, or the passport control provisions of an act entitled "An act making appropriations for the diplomatic and consular service for the fiscal year ending June 30, 1922," approved March 2, 1921, nor to be effective to terminate the military status of any person now in desertion from the military or naval service of the United States, nor to terminate the liability to prosecution and punishment, under

the Selective Service law, approved May 18, 1917, of any person who failed to comply with the provisions of said act, or of acts amendatory thereof.

It was pointed out at Washington that the next step would probably be



(© Moffett, Chicago)

CHARLES B. WARREN
*New Ambassador to Japan, succeeding
Roland S. Morris*

the issuance by the President of a formal peace proclamation, to be followed by negotiations for a treaty of peace and amity with the former enemy powers.

ARMY REDUCTION

On June 30 President Harding signed the Army Appropriation bill, under which the regular army must be reduced to 150,000 men by Oct. 1. At the same time he sent a message to Congress suggesting that it might be necessary later on to ask for a modification of the measure to provide for the 50,000 enlisted men who

would have to be dropped. While no definite plan in discharging men from the army had been worked out, Secretary Weeks indicated that so far as possible men who wished to remain in the service would not be discharged. His department hoped to be able to reduce the army as re-

Pershing was acting as Secretary of War, Secretary Weeks having gone on a five-day visit to his farm at Lancaster, N. H., and Assistant Secretary Wainwright having departed on a trip of inspection of army posts in the South.

AIRPLANES VS. WARSHIPS.

In the army and navy tests to determine the efficiency of airplanes as antagonists of warships, the former German submarine U-117, which was the terror of the Atlantic coast shipping four years ago, was sent to the bottom of the ocean in sixteen minutes by naval fliers sixty miles off the Virginia Capes on June 21. Before reaching the anchored target far out at sea the planes had flown in triangular formation a distance of seventy-five miles from their bombing base at the Hampton Roads Naval Station. The only planes used in the actual assault were a single division of three F-5-L planes commanded by Lieutenant Delos Thomas. Just a dozen 163-pound bombs, each containing 117 pounds of T N T, were used. The first salvo of only three bombs fell with such precision as to bracket the submarine, port and starboard, and probably inflicted damage enough to put the vessel out of commission, though no direct hits were registered. Nine minutes later nine more bombs were dropped, and the submarine went to the bottom.

On July 13 it took army aviators twenty minutes after the first hit to sink the former German destroyer G-102 in fifty fathoms, sixty miles east of Cape Charles, Va. Fifty-one 300-pound T N T missiles were dropped on the target. The first direct hit was made at 10:20 o'clock, and eight minutes later the destroyer was seen to be sinking rapidly, her decks being awash to the funnels and her bridge a shattered heap. It was then that the fatal hit was scored by one of the Martin bombers. It struck amidships in the funnels and wrought such destruction that the destroyer lunged forward and was out of sight



JOHN G. EMERY

Of Grand Rapids, Mich., new Commander of the American Legion, succeeding Colonel Galbraith

quired by favorable action on applications for discharge. The Secretary further stated that the army forces on duty in Hawaii and the Canal Zone would be maintained at their present strength.

PERSHING CHIEF OF STAFF

General Pershing on July 1 assumed his new duties as Chief of Staff in succession to Maj. Gen. March, and at the same time Maj. Gen. Harbord took charge as executive assistant to General Pershing. The assumption of their new duties took place simply and without ceremony. Within a few hours after he became Chief of Staff General

in two minutes. Only a large elliptical spot of loosened oil, amid which floated splintered wreckage, was left.

Less encouraging to the advocates of airplanes as attacking craft was the test made June 29, when the old battleship Iowa, controlled by radio and steaming at a gait of only 4½ knots, was struck only twice, though eighty bombs were dropped.

U-BOATS SUNK BY GUNFIRE

With deadly precision, in which half the shots fired by two destroyers were recorded as hits, the former German submarines U-140 and U-148 were riddled by gunfire attack and sent to the bottom sixty miles east of Cape Charles, Va., on June 22. The U-140 was attacked by the destroyer Dickerson, the leading ship in a division of five destroyers that steamed in line formation past the submarine. The Dickerson's gunners fired thirty-nine shots out of a possible forty permitted by the rules for experiments, and nineteen of these were hits. From the time that the first shot was fired until the U-140 sank only 1 hour 24½ minutes elapsed. A little later the destroyers steamed in similar fashion past the U-148, and out of forty shots fired twenty were hits. The submarine went to the bottom in less than 30 minutes.

Secretary Denby of the navy took action on June 23 to check any tendency toward so-called "Sovietism" in the navy by removing Captain Clark D. Stearns of the battleship Michigan for having permitted his crew to discuss with him disciplinary matters vested only in the commanding officer. The action of Captain Stearns was said to have had the approval of former Secretary Daniels, but the action of Secretary Denby showed his emphatic disapproval of the policy of his predecessor. The order issued on the Michigan to which the Secretary took exception provided for a "ship morale" committee to consist of four petty officers and ten other enlisted

men to investigate and report to the Captain on disciplinary cases, and to transmit to the Captain from the crew suggestions tending to increase the efficiency of the ship or the naval service.

REBUKE TO ADMIRAL SIMS

Rear Admiral William S. Sims was publicly reprimanded on June 24 by Secretary of the Navy Denby for his remarks on Ireland and England at the luncheon of the English-Speaking Union in London, June 7. [See July CURRENT HISTORY.] The essential part of the reprimand, after reciting the remarks to which exception was taken, was as follows:

The department is not unmindful of your record and achievements as an officer of the navy, but the conspicuous position you now hold, coupled with the fact that you have previously offended in a similar manner, merely serves to add to the gravity of the present offense. The department deplores the fact that it is necessary to rebuke a flag officer in public, but you have made such action unavoidable. The department expresses its strong and unqualified disapproval of your conduct in having delivered a highly improper speech in a foreign country and you are hereby publicly reprimanded.

The Admiral refused to comment on the reprimand except to say that he hadn't known his speech was "loaded as much as it was," and that he had got "what was coming" to him.

ALLIED DEBT REFUND BILL

A bill to enable the refunding of the obligations of foreign Governments to the United States was introduced in the Senate on June 23 by Senator Penrose of Pennsylvania, Chairman of the Finance Committee. The bill was intended to clothe Secretary of the Treasury Mellon with sweeping authority to refund the obligations of the foreign Governments and to adjust claims of the United States against them. It was broad enough to permit the Secretary of the Treasury to receive bonds and obligations of "any foreign Govern-

ment" in substitution for those now or hereafter held by the United States Government. The bill was introduced at the request of President Harding, who in turn acted at the instance of Secretary Mellon. It was announced that public hearings would begin at once on the bill.

[For details of the \$11,000,000,000 debts of foreign Governments to the United States Government see Page 802.]

TO DEFER BONUS ACTION

President Harding appeared in person before the Senate on July 12 to make a presentation of the reasons why the soldiers' bonus bill, already condemned by Secretary of the Treasury Mellon, ought not to be passed at the present time lest it contribute to "the paralysis of the Treasury." He spoke forcibly of the need of appropriate action for disabled soldiers and sailors, which he urged was a primary consideration as a matter of national gratitude. The enactment of the adjusted compensation bill in the midst of the struggle for readjustment and restoration, however, he said, would hinder every effort and greatly imperil the financial stability of the country. In addition this menacing effort to expend millions in gratuities would imperil our capacity to discharge our first obligations to those we must not fail to aid. Stating that he did not wish to restrict the action of Congress, he urged the prompt readjustment and reduction of war-time taxes and the enactment as soon as possible of the pending tariff bill. After a spirited debate, the bonus bill was referred again to the Finance Committee on July 15.

The United States Labor Board on

June 27 extended its wage reduction order, effective July 1, to nearly every large railroad in the country. No change from the average 12 per cent. reduction granted 104 carriers on June 1 was made. It was estimated that the general extension of the wage cut would lop approximately \$400,000,000 annually from the country's railroad labor bill.

The decrease in the cost of living between June, 1920, and May, 1921, was 16.7 per cent., according to figures based on prices from thirty-two cities, made public June 3 by the Department of Labor. Except for fuel, light and housing, all items dropped in price between the periods mentioned.

TAFT AS CHIEF JUSTICE

On June 30 William Howard Taft was nominated by President Harding as Chief Justice of the Supreme Court of the United States, succeeding the late Edward Douglass White. The nomination was confirmed by the Senate on the same day. The new Chief Justice took the oath of office on July 11. He is the only man in the nation's history who has held the office of Chief Justice of the Supreme Court and President of the United States. The nation greeted his appointment with almost universal approbation.

It was announced on June 24 that Charles B. Warren of Michigan had been chosen by President Harding as Ambassador to Japan. On the same date William Miller Collier was nominated as Minister to Chile. Mr. Warren is a lawyer of international reputation and has been prominent in Republican councils. Mr. Collier served as Minister to Spain under Presidents Roosevelt and Taft.

SANTO DOMINGO TO BE FREE

BY HORACE G. KNOWLES

Former United States Minister to Santo Domingo

How objectionable features of the American Government's plan of withdrawal were removed—The most serious blot that remains is the recent loan negotiated without the consent of the Dominican people, saddling them with an annual payment of 14 per cent. on \$2,500,000

FOLLOWING somewhat along the lines of the previous Administration's announcement of Dec. 23, 1920, in which it stated its decision to put an end to our nearly five years' military occupation of the Dominican Republic, an occupation regarding which the American people had been kept in almost complete ignorance, and yielding to the appeals of the Dominican people for a fulfillment of the pre-election promise of President Harding, the present Administration, through the Department of State and Military Governor Robison, issued on June 14 a proclamation to the Dominican people, in which were stated the conditions on which the American military force would be withdrawn from Santo Domingo and sovereignty and self-government restored to the natives of that country.

[See documents, Page 813; also article, Page 809.]

Certain conditions of the plan embodied in the proclamation, notably those relating to the selection of the Dominican members of a commission to negotiate with the United States a treaty of evacuation, the ratification of "the acts of the Military Government," and a military mission to be composed of officers of the American Army, were so contrary to the promises and assurances given by both the last and present Administrations, and so very objectionable to the Dominican people, that the entire population was aroused to a pitch of patriotic indignation never known before in that country.

Meetings of protest were held simultaneously in every city, town and hamlet of the country. In Santo Domingo City, the capital of the country, over 15,000 participated actively in the demonstration, the like of which was never known before in that old city. It was not a gathering of either politicians or members of a particular party. It was patriotism of the famous Boston "tea party" kind, and not politics, that inspired the people to such intense protest. A formal document of protest and appeal was unanimously adopted by that memorable meeting and immediately forwarded to President Harding, who took due notice of it. The subject matter of the petition of protest was then taken up personally by Secretary Hughes, and without delay he so modified and clarified the plan of June 14 that the major objections to it were removed.

The status of the Dominican situation may now be said to be better than at any time since the occupation began, and there is every prospect and hope that, as negotiations proceed, it will not be long before a thorough and in every way satisfactory understanding between Washington and Santo Domingo will be reached. That now easily attainable end is the one hope of the Dominicans and the plain duty of the present Administration.

The revised proclamation by Secretary Hughes was hailed with delight by the friends of Santo Domingo, and brought great relief to its citizens. It greatly clarified our

relations with the South American countries. We were losing ground heavily in South America. Because of our doings in Santo Domingo the Monroe Doctrine was being represented in all the Latin-American countries as a diplomatic bludgeon to enable the United States to do



HORACE G. KNOWLES

*Former Minister of the United States to
Rumania, Serbia, Bulgaria, Santo
Domingo and Bolivia*

whatever it pleased—anything or all the things it prohibited European countries from doing—to the Latin-American countries, and then to prevent the Latin Americans, in case of invasion or attack, as in Santo Domingo, from receiving assistance from any European power. If the Latin-American countries are to understand that the way we have applied the Monroe Doctrine to Santo Domingo is the way we may apply it to any one of them, they will want none of it; and, sooner or later, an alliance will be formed to enable them to break away from the Monroe Doctrine or fight it. I can

see no other peril to our country so great or so imminent as that, and dim of vision are our statesmen and national leaders if they cannot see it.

Soon the tariff wall will be built around our country, and this large, rich market for foreign manufactures will be closed to those nations of Europe who are now both our debtors and our foreign trade competitors. It is only with the profits on their foreign trade, in our markets or others, that they can ever pay the interest and principal of the debt they owe us. The harder we press them for what they owe us, the harder must they press us in the foreign markets of the world. Thus it is plain that the commercial Armageddon for us will be in South America. As we close our doors to European manufactured products and immigration, we shall automatically divert them to South America. There, sooner or later, we shall have to meet them in great phalanxes, first in commercial and then in political battle.

The invasion and oppression of Santo Domingo was not only a wrong to that little country, but an assault on the sovereign rights of one of the Latin-American republics. As they looked at their little Dominican sister in chains, saw her homes being burned, her people tortured and killed, her jails filled with her patriots, her public money seized and misspent, her country exploited and bankrupted, and her taxes gathered and spent to reward American politicians and job-hunters, they realized that the "great power of the North" had broken one of the links of their Latin-American chain; and feared that, sooner or later, another and then another link might be broken, and that the horrors of five years of oppression, suffered by the Dominicans, might be imposed upon one or many of them. Is it any wonder that they regard us with suspicion and fear? It will require tremendous tact for Harding and Hughes, great men as they are, to

get this terrible nightmare out of the minds of the Latin Americans.

The Dominican people, before our advent, were happy, prosperous and peaceful, save for some few political disorders, such as we have at most of our elections. They did not owe us a dollar; no American property was in peril; no American had been harmed. As a nation they were happy mostly because they believed in us and trusted us. They considered that, because of our friendship for them, as was manifested among other things by the Roosevelt treaty of 1907, they were safe from any foreign foe. From that dream of security they were rudely awakened in 1916, when, without notice, an American fleet, with frowning turrets and large calibre guns, stole into the roadstead of their capital city and dropped anchor there. Then, in the shadow of those formidable guns, an American Admiral, holding in hand an order partly in the handwriting of President Wilson and bearing his signature, landed with a large detachment of marines and began the invasion and occupation of that country—an occupation which has now lasted for over five years.

The undoing of this wrong has begun. The promise of President Harding has begun to be fulfilled, and justice toward Latin-American countries is to be practiced. Soon the Dominican Republic will be free, and her complete sovereignty will be restored to her. The latest order of Secretary Hughes, dated June 25, modifying and clarifying the previous order of the Department of State, issued on June 14, seems to give to the Dominicans the promise—if not as yet the full assurance—of:

1. The restoration of their national sovereignty, full liberty and independence, and complete self-government within eight months from June 14, 1921.

2. The election, as soon as the details can be arranged, of a National Congress, said election to be free and untrammelled and without any interference whatsoever of the American military force.

3. The right to have their National

Congress select the Dominican members of the commission that is to negotiate the treaty of evacuation with the United States.

4. The withdrawal of the entire military force from the republic within the specified period of eight months.

The only acts of the American Military Government in Santo Domingo that the United States will ask to be ratified are those connected with the raising of funds which were expended by the said Military Government during the occupation.

The one fly in the ointment, now so well and carefully prepared by Secretary Hughes to heal the Dominican wound, seems to be a loan of \$2,500,000 negotiated by an overzealous American naval officer without either the consent or the aid of the Dominican people, and intended to be forced upon them regardless of their protests and of the very unfavorable criticism provoked in our country by the said loan. This loan is guaranteed by two nations—the United States and the Dominican Republic—and seems to be better secured than any bonds our Government ever issued. It is a first lien upon the customs revenues of the Dominican Republic, which are collected and controlled by the United States, and, as the proceeds of the loan will be paid to officials of the United States and will be disbursed by them, there will be a moral obligation, involving the good name and credit of our country, fully to protect the bonds.

Notwithstanding this double-barreled guarantee, the representative of the Navy and State Departments, given such a free hand to negotiate the loan with Wall Street bankers, agreed with them for an annual interest rate of 14 per cent., which, combined with other charges, makes a total cost charge of over 9 per cent., up to nearly 19 per cent. The representatives of Chile are on their way to this country to conclude an 8 per cent. loan for \$25,000,000. As this article is being written there is to be seen in all the New York newspapers

the announcement by a prominent banking house of an issue of \$1,000,000 Porto Rican 4½ per cent. bonds, offered at a price that will net the investors less than 5¼ per cent. For the United States-Dominican Republic bonds, a great deal better secured, why pay 14 per cent.—nearly three times as much? There must be something wrong. In the New York market there are being sold State bonds that net the investors less than 5 per cent. and scores of 8 per cent. industrial loans are being placed; yet our Government is saddling upon the Dominicans a loan with an annual interest charge of 14 per cent., plus a proportionate commission to the bankers! Who is responsible for thus throwing the poor Dominicans to the wolves of Wall Street? It is believed that this very questionable operation was slipped past Secretary Hughes, and that when he learns the details of it he

will decline to give it his approval and insist upon its immediate cancellation.

It will not be long now before the final chapters in the unfortunate Dominican affair will be reached. In the crown of nations soon will be reset the brilliant Dominican Republic gem. There will be a declaration by our Government as to the meaning and value of national sovereignty, confirming our support of the principle that *sovereignty is sovereignty wherever it exists*, and that whoever is entitled to it shall never be deprived or robbed of it, if we can prevent it. We will say that there is no big and no little sovereignty; that neither the size nor condition of a nation in any way diminishes or enlarges it; that we hold it inviolate when possessed by others, as we do our own, and that in our hearts we respect it in its entirety, like honor in a man, like chastity in a woman.

DECLINE OF THE GREAT WHITE PLAGUE

DR. JAMES ALEXANDER MILLER, the newly elected President of the National Tuberculosis Association, declared before the seventeenth annual meeting of that body, held in New York in June, that the beginning of the end of the battle against tuberculosis in the United States was in sight. "After years of hard work," said Dr. Miller, "the death rate continues to go down, and this is in marked contrast to the tremendous increase in tuberculosis in Europe on account of the war." His statement was borne out by the testimony of experts from all parts of the country.

It was stated that there were 12,000 tuberculous ex-service men in various hospitals of the United States. One regulation passed by the association indicated that a

certain percentage of returned soldiers were refusing to avail themselves of the facilities for treatment offered through the Public Health Service and other organizations, and urged that the Compensation act be amended so as to reduce the compensation sanctioned for such patients among the ex-service men.

The association put on record its apprehension of the growth of the disease in Europe, following the war, and adopted resolutions calling on the United States Public Health Service to see that trained examiners should be stationed at all the ports of debarkation to prevent the entrance of tuberculous immigrants from France, Italy, Russia, Germany, and other countries involved in the war.

MENACE OF THE ANGLO-JAPANESE ALLIANCE

BY GEORGE L. KOEHN

Department of History, Reed College, Portland, Ore

How renewal of the treaty might endanger the friendship between England and the United States—Pact that forced Japan into the World War may also force Great Britain to take sides against us—How it has served Japan's ambition to dominate China

THE opening of the Imperial Conference in London late in June focused the attention of students of world politics on the Anglo-Japanese Alliance. One of the objects of that conference was to decide the momentous question of a renewal. So momentous was it, in fact, that no agreement could be reached on it before the date of the treaty's expiration; the emergency was met by a ruling that, in the absence of definite action, the alliance was automatically renewed for one year. Thus the issue is still pending. What action will Great Britain and Japan take: will they renew the compact in its present form, or will they modify it? The British dominions bordering the Pacific are vitally concerned in its renewal. So, also, is the United States.

Many Americans, especially those who live on the Pacific Coast, view with uneasiness the renewal of the alliance in its present form. They regard this pact as inimical to the safety of the United States, and feel that if it should be renewed without change British-American relations would be poisoned by mutual distrust and fear, and vitiated by a continuous anticipation of war.

To understand the issues involved, it is necessary to review the events that led up to the creation of the original alliance. In 1854, an American naval officer (Commodore Perry) opened the doors of a backward, Oriental nation named Japan to intercourse with the rest of the world, and in half a century that

backward country was among the first five powers of the world. No sooner did it realize its power than it launched into a policy of economic imperialism, followed by military aggression. It adopted the policy that any territory within its proximity must be under its control as a matter of national safety; and so it began to cherish designs on Korea, a peaceful nation of 17,000,000 souls, whose country was the doorway into China.

Japan realized, however, that her designs would conflict with China and the many European nations who were just then carving that empire into spheres of influence, and knowing that she was unprepared for war with a European power, she sought an ally to give her the necessary financial assistance, and to protect her from European interference. It was England that first freed Japan from European interference by a treaty in which she pledged herself to prevent European nations from intervening in case of a war between Japan and China. The pact was signed on July 16, 1894, and it is significant that just one week later, on July 25, Japan picked a war with China over Korea.

Japan won a brilliant victory over China, but the fruits of that victory were stolen by the intervention of Russia, France and Germany. Japan realized that if she were to cope successfully against European powers for the control of Asia, she must ally herself with a strong European power. She remembered England's aid in the Chinese war, and decided

to make that great power her ally. Fortunately for Japan, Russia was at that time encroaching on England's interests in India, through her interests in Persia and Afghanistan, and Russia's interests in Manchuria and Mongolia were affecting England's monopoly of the Yangtse valley. Then, too, the spectre of German commercial competition in the Far East was disturbing to Britain's well-being there. The suppression of Russian aggression being a common enterprise, Japan, in exchange for England's recognition of Japan's special interests in Korea, guaranteed England's interests in the Yangtse valley and in India.

Thus the fateful alliance of 1902 was concluded. The alliance made possible the war with Russia, and Japan's consequent victory. During this war—in 1905—the alliance of 1902 was strengthened into a binding defensive alliance, in which each nation guaranteed to guard the interests of the other in its respective spheres of influence. This pact recognized Japan's special interests, and her right to do with Korea as she pleased. In 1910, therefore, Korea was definitely annexed to Japan, against the protests of its inhabitants, and also of America.

ALLIANCE AGAINST WHOM?

In 1911 the alliance was again modified to assure England that her interests in India would be especially safeguarded by Japan, and to exclude the operation of the alliance from those nations with whom either England or Japan had a general arbitration treaty. As the alliance was then modified, it remains today. Since then the two nations against whom this alliance was originally aimed have been removed. Russia will not be concerned with Far Eastern affairs for a long time to come. Germany will not be a factor in Asiatic problems for an even longer time. Against whom, then, is this alliance aimed? What are the motives and reasons that prompt its contin-

uance? Whatever the answer, the alliance as it works today amounts to this: It says to England, "Go as far as you like in the Yangtse Valley, and in India"; it says to Japan, "Go as far as you like in your sphere of influence"—which Japan interprets as the rest of China.

This alliance is an obstacle to good relations between Great Britain and the United States; first, because it is conducive to bringing about a war between America and Japan; and, second, because in case of war England would be morally bound to come to the aid of Japan.

That the Anglo-Japanese Alliance is the basis of Japan's foreign policy is indicated by the testimony of Count Hayashi, the Japanese Minister who negotiated the alliance, and that of Baron Kato, who has had more to do with enforcing it than any other man. Count Hayashi in his Secret Memoirs says of it: "It is the basis of this country's foreign policy." Baron Kato says: "The Anglo-Japanese Alliance is revered and respected in Japan as long as it can be used as a stepping stone in China. It will remain in the future, as in the past, the shaft on which the wheels of Japanese diplomacy revolve." Mr. A. M. Pooley, England's most eminent authority on Far Eastern questions, declares in his book on Japan's foreign policy: "That Japan has been in a position to carry out successfully her policy of wanton aggression in China is due to the alliance of 1902." Such eminent students of Far Eastern problems as E. T. Williams, T. F. Millard, J. O. Bland, K. K. Kawakama, are all of the opinion that Japan's policy in the Far East would not have been possible without the Anglo-Japanese Alliance.

On the basis of this alliance, which associated her on terms of equality with a great European power, Japan adopted a foreign policy which involves these three aims:

1. To have repealed all legislation of a discriminatory measure, and to obtain equal privileges and rights for her people;

2. To obtain a free hand in China and to proclaim a so-called Monroe Doctrine over Asia;
3. To gain the control of the Pacific.

In every one of these ambitions, Japan's policy has come into direct conflict with that of the United States, and has led to a state of affairs which some observers believe makes a war highly probable.

Japan's first policy, that of securing the repeal of all discriminatory measures against her nationals, has an important bearing on the California issue. This issue, like that of race equality in general, is being used by Japan merely as a smoke screen to hide her actions in the Far East, and to imbue the populace of Japan with a strong hatred of America as a popular pretext for war. Her loud protestations about the California issue are answered by merely pointing to the fact that Japan herself does not allow foreigners to become citizens or hold land, does not allow them even to become laborers or engage in any business. Many Americans now realize that Japan is harping on the California issue to keep America's attention from the Far East, just as she harped on the issue of race equality at the Peace Conference to keep the world's attention from the issue of Shantung. It is over China and the Far East that American and Japanese policy must seriously conflict.

POLICY TOWARD CHINA

What has been our policy toward China? The United States has been the only true friend of the Celestial Empire. When China was on the verge of dismemberment by the policies of economic imperialism and "spheres of influence" pursued by the Great Powers, John Hay, the American Secretary of State, recognized the fundamental importance of the square deal in China, and devised a plan to check the progress of the spheres of influence policy in that country. He succeeded in securing the acceptance by all the major pow-

ers, including Japan and England, of those principles of the Commercial Open Door and the preservation of the territorial integrity of China which constituted the Hay Doctrine.

The Monroe Doctrine and the Hay Doctrine, which is but an extension of the same principle to the Far East, are the only two traditional foreign policies of the United States. They are both based on the same broad-minded principles: (1) The protection of a weaker nation by its stronger neighbor, and (2) the safeguarding of equal commercial privileges to all nations dealing with the weaker countries. This means that no nation, regardless of political interests or geographic proximity, can maintain special commercial privileges or monopolies to the detriment of free and open competition of the commerce of all nations. The United States has always intended to enforce these policies. She has done so in South America to the benefit of all concerned. Her military unpreparedness in the past has prevented her from doing so in China. She has had to depend on the pledges of those nations who signed the Hay Doctrine.

JAPAN IGNORES THE "OPEN DOOR"

Japan has broken her pledge, and her every move since the Russo-Japanese war has been to destroy the efficacy of the doctrine, and to substitute for it the war-breeding "spheres of influence" policy. She annexed Korea in 1910, after cruelly putting down the native revolt, and against America's official protest. She then began her policy of economic aggression and followed it up by the political subjugation of Formosa, Mongolia, and Manchuria. Wherever Japan entered, her stay was followed by the slavish subjection of the inhabitants and the suppression of all free commercial competition. To such an extent did her underhand measures and vicious discriminations prevent foreign trade, that in the port of Newchwang, Man-

churia (to cite an instance where, twenty years ago, two-thirds of all cotton goods used by the Chinese entered from the United States), there is no longer a single American firm. The Japanese Government has actually driven out every American merchant, closed the American missions and schools, and compelled our Government to recall our Consul-General. Both the Shanghai Chamber of Commerce and the American Association of China have issued formal protests against Japan's unfair discriminatory measures, which range from putting American trade marks on her own cheap imitations, to the entire exclusion of American goods by excessive taxes or railway rates. Mr. T. F. Millard, an authority on China and the Far East, in his testimony before the Senate Foreign Relations Committee stated that it was Japan's intention to force all American trade with China to pass through her hands. Thus the Japanese Government violated every principle of the Open-Door policy, if not with the active assistance of England, at least with her tacit consent. Japan would never have dared to violate a fundamental American policy had she not felt that the greatest navy in the world would at least "keep the ring" for her.

VICIOUS AGGRESSIVE POLICY

It was not until 1915, however, that the most vicious nature of Japan's aggressive policy came to light. While the allied nations were busily engaged in the war, Japan took advantage of this situation to present to China her infamous twenty-one demands. The disgraceful method by which Japan on this occasion attempted to force her domination down the throat of a helpless people will always remain as the supreme example of the national perfidy and callousness to which a bureaucratic nation's belief in her divine mission to force her leadership on weaker peoples can drive her. When Japan's real intention to sub-

jugate China was discovered, she made some awkward attempts at explanation. Her chief excuse was that she intended to establish a Monroe Doctrine over Asia. Let us not be deceived. To America, the Monroe Doctrine represents a check on imperialistic aggression and a protection of democracy; to Japan it means the predominance of a strong nation over weaker nations.

Suppose the United States had used the Monroe Doctrine to apply in South America a commercial and political policy like that which Japan has practiced in Korea and Manchuria, and which is embodied in her demands on China in 1915. Suppose that the Monroe Doctrine should be construed to mean that no railway could be built in South America except under conditions dictated by the United States; that no mines or material resources could be exploited without first consulting the United States; that no foreign loan would be made without United States sanction; that Americans must be employed as political, financial and military advisers to the South American Governments; that the South American Governments must purchase at least half of their armaments from the United States; that American goods must be given a preferential rate, and that Americans must be heads of police in important South American cities. Every one of these conditions Japan has already put into effect in Manchuria, and wherever she has established a sphere of influence. These conditions were included among her twenty-one demands, by which she intended to subjugate China. Japan remembers and cherishes an undying hatred toward the United States, because it was America's official protest which made her give up the most objectionable of these demands.

AMERICA IN THE WAY

America realizes that she has definite obligations toward China; that those obligations are written into the fundamental policy of this nation. We

have been content in the past to answer Japan's interference with that policy by mere lip protest. But now that we are prepared, now that the leaders of our ever-increasing trade interests in China are complaining most bitterly against Japan's interference, the time is here when our protests will take a more material form. Japan realizes that America is the only country that stands in the way of her aggressive ambitions in the Far East and the Pacific. Her press convinces the people that America stands in the way of their daily bread, and that war would mean their economic emancipation; it threatens war if the United States does not recede. America will not recede. She has just fought a war for pure unselfish principle. How much sooner will she fight in this instance, where that same principle of "might makes right" is even more apparent—where a feudal yellow race is an even greater menace than was the Prussian autocracy—where not only fundamental principle but a basic foreign policy is at stake, to say nothing of the very large and legitimate interests of her Chinese trade.

We see Japan increasing her army from 1,500,000 to 4,500,000 men. We see her spending huge sums in a gigantic naval program. It is very questionable whether she will join the Great Powers in an agreement to reduce armaments. She is fanatically exploiting the raw materials of China for purposes of her own self-sufficiency. She is preparing her people for the coming war. America realizes that Japan's vast preparations are directed against her, and feels only too keenly the menace of the Anglo-Japanese Alliance.

TERMS OF THE ALLIANCE

Turning now to the Alliance itself, we find that Article II. of the 1911 pact reads as follows:

If, by reason of unprovoked attack, or aggressive action on the part of any power or powers, either high contracting party is involved in war in defense

of its territorial rights or special interests mentioned in the preamble of this agreement, the other high contracting party will at once come to the assistance of its ally, and will conduct war in common and make peace in mutual agreement with it.

This section of the treaty can mean nothing else than that, should the United States become embroiled in a war with Japan, England is bound to come to the aid of Japan. The express wording of the Alliance leaves no room for doubt concerning England's obligation. It explicitly places upon England the obligation to go to war against the United States in the event of hostilities between the United States and Japan.

Even more important than the exact wording of the Treaty of Alliance is the recent interpretation placed upon it. Treaties, like other laws, grow and expand by the interpretation placed upon them. It is less than seven years ago that occasion arose for the enforcement of the Anglo-Japanese Treaty—an occasion when this alliance was definitely and precisely interpreted by both England and Japan. Fresh within the memory of all is the incident to which I refer. In August, 1914, after Germany had sent her troops through Belgium, England, even before she formally declared war, sent a request through the British Ambassador at Tokio asking for Japanese aid under the terms of the Anglo-Japanese Alliance. K. K. Kawakami, eminent Japanese historian and political writer, describes in detail in his book, "Japan and World Peace," the conditions surrounding the Japanese entrance into the war. He states that Sir Conyngham Greene, the British Ambassador to Japan, on Aug. 3, the day before England declared war, made a formal request on the part of his Government for aid under the terms of the Anglo-Japanese Treaty of Alliance.

Baron Kato, Japanese Minister for Foreign Affairs, after conference with Count Okuma, then Prime

Minister, on the following day informed the British Ambassador that Japan would not evade the responsibilities she had assumed in entering into the alliance with Great Britain. Japan, upon the urgent request of the British Ambassador, decided to act at once, and on Aug. 14 sent an ultimatum to the Imperial German Government demanding the immediate release of all German connections in the Far East. In this ultimatum Japan officially set forth as the reasons for her demands the "safeguarding of the general interests as set forth in the agreement of alliance between Japan and Great Britain, and in order to secure a firm and enduring peace in Eastern Asia, which is the aim of said agreement." It must be borne in mind that this ultimatum refers in exact words to the Anglo-Japanese Alliance, and that it expressly states that such action was being taken in fulfillment of the Japanese treaty obligations.

WHY JAPAN DECLARED WAR

On Aug. 23, Japan issued a formal declaration of war, in which she again referred to the Alliance as the reason for her action. I quote the exact words of the Imperial Rescript declaring war which was issued at Tokio on Aug. 23, 1914. It says:

We, on our part, have entertained hopes of preserving the peace of the Far East by the maintenance of strict neutrality, but the action of Germany has at length compelled Great Britain, our ally, to open hostilities against that country. Accordingly, our Government and that of his Britannic Majesty, after full and frank communication with each other, agreed to take such measures as may be necessary for the protection of the general interests contemplated in the agreement of alliance. We, in spite of our ardent devotion to the cause of peace, are compelled to declare war, especially at this early period of our reign.

This document explicitly states that such action is being taken in fulfillment of the Anglo-Japanese Treaty of Alliance. Baron Kato, in an official address before the Japanese

Diet, explaining why Japan was forced to enter the war in 1914, said:

Great Britain was at last compelled to take part in the contest. The British Government asked the Imperial Government for its assistance under the terms of the Anglo-Japanese alliance. Therefore, inasmuch as she is asked by her ally for assistance at a time when the commerce of Eastern Asia, which Japan and Great Britain regard alike as one of their special interests, is subjected to constant menace, Japan, which regards the alliance as the guiding principle of her foreign policy, cannot but comply with such request and do her part. The Government, therefore, finally agreed to take such measures as may be necessary to protect the general interests contemplated in the agreement of alliance. Japan had no desire or inclination to get herself involved in the present conflict. She only believed that she owed it to herself to be faithful to the alliance and strengthen its foundation by insuring the permanent peace of the East by protecting the special interests of our two allied powers.

The statement of Baron Kato was further affirmed by his successor to the post of foreign affairs. Viscount Motono, in an official address to both houses of Parliament in 1918, said:

Our alliance with Great Britain always has been the fundamental basis of our foreign policy. It was above all things the reason why the Japanese participated in this war. Since then Japan has spared no effort to assist her ally.

In view of these facts, any open-minded student will be forced to the conclusion that Japan's entrance into the war was under a fair and frank interpretation of the provisions contained in the Anglo-Japanese alliance. England, by her formal request for Japanese aid, showed by that act that she regarded Japanese aid as a necessity for carrying out the provisions of this alliance. Japan, by her immediate action upon that request, left no doubt as to the interpretation of her obligations under the agreement of alliance. There can be no mistake, therefore, in saying that both England and Japan regarded the Japanese entrance into the war as an act in compliance with her undoubted

obligations under the provisions contained in the Anglo-Japanese alliance.

ENGLAND LEGALLY BOUND

This being true, it must necessarily follow that England is in the same way both morally and legally bound to aid Japan in the event of a probable war between the United States and Japan. England is thus bound not only by the specific wording of the treaty itself, but also by the legal interpretation placed upon that alliance in 1914. The World War originated in Europe. It was entirely removed from the continent of Asia. It had not, in fact, touched the Japanese nation in any respect. Yet England and Japan both regarded Japan's entrance into the war as the only logical interpretation which could be placed on the Anglo-Japanese treaty of alliance. England's legal obligation also is plain.

The American people have been lulled into a feeling of security in regard to the alliance by the statements of a misinformed press. We have been told that Article IV., which was inserted into the treaty in 1911, obviates the obligation of England to participate in a Japanese-American war. Such a contention arises from a misunderstanding of the treaty obligations between the United States and Great Britain, and has absolutely no foundation in fact. Article IV. of the treaty states:

Should either high contracting party conclude a treaty or general arbitration with a third power, it is agreed that nothing in this alliance shall entail upon such contracting party the obligation to go to war with the power with whom such a treaty of arbitration is in force.

Article IV. does not in any way impair England's obligation to go to war against the United States under the terms of this alliance unless it can be definitely shown that a treaty of general arbitration exists between the United States and Great Britain. Such a treaty, however, does not exist, nor is such a treaty being consid-

ered by the United States. It is true that a treaty of general arbitration was formulated in 1911, but the United States Senate refused to ratify that treaty in March, 1912, with the statement that it would "never consent to a treaty of general arbitration between the United States and Great Britain." The only treaty concerning arbitration now in existence between the United States and England is one of the eleven so-called "Bryan treaties." This merely provides that before the United States and England declare war they must first submit their differences to a commission of inquiry. The treaty contains no provision that would prevent either power from declaring war after an inquiry has been made. It is, therefore, in no sense a treaty of general arbitration, and has never been interpreted as such. Since the treaty of general arbitration failed of ratification in March, 1912, there is nothing whatsoever in the form of a treaty that would fall within the meaning of Article IV. of the Anglo-Japanese Alliance.

It is evident, therefore, that Article IV. of the Treaty is inoperative as far as the United States and Great Britain are concerned. England's moral and legal obligation to go to war against the United States in the case of war between the United States and Japan remains unimpaired.

It is for these reasons that the Anglo-Japanese Alliance menaces the future friendly relations between the United States and Great Britain. The fact itself that England has pledged her honor and respect among the nations of the world to the fulfillment of an alliance with a potential enemy of the United States—an agreement which, by its express wording and explicit interpretation, obligates England to go to war against the United States—is a menace to British-American relations. It is realization of this fact that has caused so many members of the British Empire itself to come out in open opposition to the

Anglo-Japanese Alliance. As the Hon. Earnest G. Theodore, Premier of Queensland, recently remarked:

My recent visit to America has convinced me that much of the regrettable misunderstanding between this country and England is due to the Anglo-Japanese alliance. The treaty will never be understood by our cousins across the Atlantic, who have adopted the maxim of trusting to God and keeping their powder dry.

Picture the situation, with the United States situated between the two greatest naval powers of the world, who are bound in an alliance to the fulfillment of which they have pledged their national honor, an alliance which specifically binds them to the conduct of a war in common against any third power, an alliance

which drew Japan, without hesitation, into the European war on the side of England, an alliance which leaves no room for doubt concerning England's obligation to go to war against the United States in the case of Japanese-American hostilities. Situated as we are between these two great naval powers, beholding the rising power of Japan, and realizing that England is bound to Japan in such a treaty of alliance, we can never regard England as a friend or even as a neutral in the causes of friction which now exist, or in those which are likely to exist, between the United States and Japan. As long as this alliance continues we must regard England, even as we regard Japan, as a potential enemy of the United States.

SOVIET RUSSIA'S TREATIES WITH AFGHANISTAN AND PERSIA

A TREATY of amity and alliance between Soviet Russia and Afghanistan was signed at Moscow on Feb. 28, 1921, and thereby the Bolshevik leaders acquired one more means of influencing or controlling events on the border of British India. Russia agrees to hand over to Afghanistan certain frontier territory which belonged to her in the last century, and guarantees the independence of Bokhara and Khiva. Russia promises to give Afghanistan financial and other help, and a supplementary clause pledges the payment of a yearly subsidy of 1,000,000 rubles. This clause has been interpreted to mean that Afghanistan is now to all intents and purposes a dependency of the Moscow Government, and will be compelled to obey the dictates of Lenin and Trotzky. As the British have already had serious trouble from the aggressive spirit of the Afghans on the Indian border, the new treaty has a special importance for them. A clause binding both Russia and Afghanistan not to enter with any third State into a military or political agreement which could damage one of the signatories, is evidently aimed at Great Britain.

The treaty of peace and alliance concluded

by Soviet Russia with Persia on Feb. 26, 1921, is of somewhat wider scope. The characteristic Bolshevik declarations against monarchists and capitalists run like a red line through the text. All Czarist treaties, concessions, and loans are abjured. Russia gives up the grip which the Czar's Government had acquired on northern Persia. Each signatory acknowledges the sovereignty of the other, pledges itself not to harbor parties or forces hostile to the other, and agrees to come to the aid of the other if attacked by a third power. In case Soviet Russia is compelled to throw its armed forces into Persia in fulfillment of this agreement, it promises to withdraw such troops as soon as its military operations are concluded. Persia pledges herself not to transfer to third parties any concessions which Moscow has returned to her. A curious stipulation is contained in Clause 15, which declares that Russian Orthodox religious missions in Persia, as in other countries of Islam, were merely part of the "rapacious intrigues of Czarism;" the treaty withdraws all missionaries from Persia and hands over the mission properties to the Persian Government.

THE PLIGHT OF CHINA

BY JESSE WILLIS JEFFERIS

Nation torn between two contending Governments—That at Canton, headed by Sun Yat-sen, has the higher democratic ideals, while that at Peking has the greater strength and recognition—Danger of a coalition of Japan and China to fight Western imperialism

THE recent return of Dr. Sun Yat-sen, father of Republican China, to the Presidency of the Southern Chinese Government, was disconcerting to the militarists at Peking and displeasing to the monarchists at Tokio, who realize that the strange doctrines of republicanism introduced by "foreign devils" will continue relentlessly to gnaw away the foundations of political principles and traditions 4,000 years old. On his assumption of office, Dr. Sun issued a manifesto to all foreign powers and a special appeal to the United States, setting forth the abuses of the Peking Government, the state of anarchy into which the country had fallen, and the patriotic aims of the Southern leaders. [The full text of these documents will be found on Pages 749-753.]

In the past, Peking officials have viewed with contempt the struggles for liberty of the revolutionaries in South China, who had the temerity to secede from the Central Government; but now Peking's financial plight is so serious as to dislocate the arm of her military power and to result in the dissolution of her Parliament, the liberal members of which have voted to join the Extraordinary Assembly convened at Canton under the leadership of President Sun Yat-sen.

The present outlook is worrying Japan, which has effectively used Peking as a pawn, but is now threatened with a checkmate by Canton. A Government genuinely republican is likely to prove unmanageable. To direct the policies of a Manchu monarch, or to bribe the military Gov-

ernors of Chinese provinces, would not be an insuperable task; but the seeds of democracy planted in the Flowery Kingdom threaten a political upheaval so momentous, irresistible and far-reaching as to be felt around the world.

To meet this critical situation, a conference of Inspector Generals was hastily summoned by Premier Chin of the Peking Government to assemble at Tientsin. The program proposed to further the reunification of China was as follows:

1. The military suppression of the Mongolians, who are fighting for the restoration of autonomy.
2. Reorganization of the Peking Parliament.
3. The arrest of President Sun Yat-sen.

Although Sun Yat-sen was elected to the Presidency by the National Assembly of South China in April, congratulations have not been received thus far from the provinces of Huan, Szechuan, Yunnan and Kweichow. This is owing to the fact that General Wang Chan-yuan is organizing a separate federation of six neutral provinces, which have agreed to establish their capital at Hupeh, to pool their finances, to raise an army for "driving out bandits," and to prevent Peking from forcing these provinces to accept military Governors.

Thus the Peking Government hopes to reunite China by refusing autonomy to Mongolia, by centralizing so far as possible the military power and resources of the refractory provinces, and by crushing out democracy, for which, it is said, the provinces are totally unfitted both by

nature and by tradition. In view of the difficulties which beset the citizens of the American Commonwealth in their efforts to realize the principles of true democracy, the militarists of Peking and the monarchists of Tokio perhaps have some reason for the conviction that 400,000,000 Orientals—Manchus, Chinese, Mongols, Mohammedans and Tibetans—who have been self-governing only in local communities, cannot at present be welded into a national union under a republican form of government.

This was the view taken by Professor Goodnow of Columbia University, who, in 1915, as constitutional adviser to President Yuan Shih-kai, published a pamphlet to show that a monarchy was more suitable to China than a republic. Advice from so authoritative a source was cheerfully adopted by President Yuan Shih-kai, who declared his intention to ascend the throne as "The Son of Heaven," despite the fact that he had cast hundreds of Chinese into filthy jails for daring to suggest such an unpopular idea; for the revolution in favor of a republic had swept thirteen out of a total of eighteen provinces.

A retrospect of the political anarchy which has prevailed in China since the outbreak of the revolution in 1911 is likely to lead to the conclusion that the awakening of the "Sleeping Dragon" from its 4,000 years' state of suspended animation was entirely too rude and abrupt, resulting in a reaction of racial ill-humor which only time can mollify. The sudden transition from a paternal despotism to a republic has been followed by an upheaval comparable almost to that which resulted from Russia's leap in the dark from Czarism into Bolshevism. If the Manchus and the present Peking Government had been willing to follow the constitution proposed by the Chinese liberals, the Flowery Kingdom would never, like Gaul, have been divided into parts, waiting for a conqueror. The natural political evolution of China should have been from a des-

potism to a constitutional monarchy, and finally to a republic.

The independence, arrogance and venality of the Tuchuns, or provincial military Governors of the North, are today the chief impediment to the reunification of China. Controlling, as many do, not only the finances, but the military power of the provinces, they are often able unduly to influence the policies of Canton and Peking; for without the support of these ambitious Generals comparatively nothing can be accomplished. It would seem that only such a civil war as was fought in America for the preservation of the Union can solve the problem of State rights in China and guarantee the sovereignty of the republic.

THE "WHITE PERIL."

Reunification must be realized without delay, or China will suffer the fate of Turkey and the Holy Roman Empire; for the yellow race is confronted as never before with the "white peril," more ominous and overwhelming than the terror inspired among the inhabitants of the Pacific Coast by the peaceful invasion of the little, almond-eyed men from the Kingdom of the Rising Sun. The militarists of Japan realize that only a solid yellow front can withstand the imperialism of the Western nations. "Without China, Japan would have lost her independence," says Dr. Uesugi of the Imperial University of Tokio. "The establishment of friendship between Japan and China is the question of the whole Asiatic continent."

The overthrow of the Government of Sun Yat-sen and the restoration of the monarchy in China is openly espoused by Japan, which sees in such restoration its hope for the reunification of China and the formation of an Asiatic League of Nations. "We sincerely hope that under the leadership of General Chang Tso-lin of Mukden the monarchy will be restored," says *The Herald of Asia*, a leading Japanese weekly published in Tokio. "China needs now nothing so ur-

gently as a period of strong discipline under centralized authority."

A union of the yellow race for protection against the imperialism and commercial exploitation of Western nations is no more impossible than the long-discussed British-American alliance to preserve world peace; for China, of which Japan was formerly a dependency and from which she received her early culture, is just as truly the mother country of the Kingdom of the Rising Sun as England is the mother country of America. "China has three enemies, of which Japan is *not* one," says Dr. Wang Chung-hui, Chief Justice of the Supreme Court of China. These three enemies, he says, are:

1. Article XXI. of the League of Nations, laying down the doctrine of regional understanding—a direct challenge to China's integrity.

2. The Anglo-Japanese Alliance, which will lead to war, with China on the side of America.

3. The Lansing-Ishii notes, upholding the doctrine that geographical propinquity confers rights.

The Anglo-Japanese Alliance, which may ultimately be renewed, though with modifications, is viewed with apprehension by the Chinese, who regard this pact as a "robbers' agreement," by which England and Japan will protect each other in the exploitation of the Far East. If, however, the alliance is not renewed, Japan and China are likely to be drawn closer together than they ever have been since the close of the Chinese-Japanese War in 1894.

SINO-JAPANESE SOLIDARITY

"We should make the control of China's foreign policy and the management of her internal financial and military affairs our goal," says Mr. Uchida, member of the Japanese House of Peers, "thereby establishing an Eastern Asiatic Federated Empire, with Japan as its leader."

But Japan must return to China Germany's former rights in the Province of Shantung, together with the

control of the Tsinanfu-Shunteh and Ksomi-Hanchow Railroads.*

Japan must also relinquish the special privileges procured under duress from China; they are wholly inconsistent with the policy of the "open door," which guarantees equal opportunities for the commerce of all nations. By securing an abundance of China's raw materials, Japan, with her cheap labor, would be able to underbid the merchants of the Western world.

Left alone, China will be unable to withstand the overwhelming pressure brought to bear upon her by Japan, which now has a preponderating influence in South Manchuria, East Mongolia and other coastal provinces. No Napoleon is needed to warn us of the danger that Japan's militarization of China might lead eventually to an Asiatic invasion of Europe, already prostrated by the most destructive war in history. Accordingly, the relations between China and Japan may largely decide the future of civilization.

The policy of an "open door" in China for the commerce of all nations, as enunciated by President McKinley in 1908; the proposal by Senator Knox in 1915 to neutralize the railroads of Manchuria, when threatened with domination by Japan; President Roosevelt's act in returning to China America's share of the Boxer indemnities, to be used for the education of Chinese youth in the colleges of the United States, and President Wilson's plea for the political unity of China at the outbreak of an armed conflict between North and South over the Manchu restoration—all these have tended to create the conviction among the Chinese people that America is a genuine and disinterested friend.

Not until the dispatch of the Lansing-Ishii note, Nov. 15, 1917, recognizing the principle that terri-

*China's firm refusal to negotiate with Japan over Shantung, or to accept other than an unconditional restoration of Shantung and all rights previously enjoyed by Germany, was again emphasized by China through Dr. W. W. Yen, Chinese Minister for Foreign Affairs, on June 22.

torial propinquity creates special interests for Japan in Chinese territory, and President Wilson's acceptance under protest of the "Shantung infamy," a dagger aimed at the heart of the Chinese Nation, did America's influence in China begin to wane. The fact that both countries have repudiated the Versailles Treaty remains, however, a hopeful sign that they will stand together when the real test comes regarding the justice of the provisions governing China and the islands in the Pacific.

STATUS OF THE CONSORTIUM

Commercial competition, which many concede was the cause of the last great war, will probably result in a conflict between the white and yellow races, unless it is superseded by economic co-operation. The dismemberment of China will continue until her political entity and national sovereignty are sufficiently secure firmly to resist foreign encroachments.

Undoubtedly, the most efficient measure for the reconstruction of China is the new financial consortium of Great Britain, France, Belgium, Japan and the United States, through which loans may be advanced to the Chinese Government, not for special privileges, not for further disorganization of the struggling republic, but for the building of railroads, highways, &c., and for the reorganization of China's decentralized banking system. This international con-

sortium, headed by Thomas W. Lamont, may not only enable America to treble her trade with China, which now totals \$400,000,000 a year, but, best of all, will tend to relieve China from the pressure of external interests and from the civil strife within, both of which are now threatening her very life as an independent nation.

But this program of fair play can never be put into operation until it has the support of the Chinese Government, which now realizes that it has been sadly demoralized by Japanese loans, made ostensibly for industrial development, but actually for political disorganization, in order that Japan might fish in troubled waters. Neither can China ever function as a nation so long as it is divided into warring factions.

At the present moment, President Sun Yat-sen of South China is anathematized in the North as the Jefferson Davis of the Southern secessionists. Premier Chin, the recognized head of the Peking Government—said to be the puppet of General Chang Tso-lin, the Military Governor of Manchuria, and of General Tsao Kun, the Military Governor of Chi-li—is denounced by the liberals of the South as a hopeless reactionary. Only a Chief Executive approved by both factions and powerful enough to force into line the Governors of the provinces, most of which are practically independent, can restore the political unity of China.

SUIT OF THE INVENTOR OF MELINITE

YEAR ago a French inventor named Turpin filed a copyright with the Patent Office of his Government for the invention of a picric acid explosive. The process was rediscovered by two French army officers and used by the French Army under the new name of melinite. Four years before the war the French courts admitted M. Turpin's claim to the invention of melinite, and ordered the Government to pay him \$20,000 damages, plus an annual income of \$4,000. Not satisfied with this, M. Turpin has now brought suit against

the Government, demanding royalties on every recoiling cannon manufactured in France for either national or foreign use. He asserts that he is the original inventor of every high explosive, every cannon, shell and bomb used by the belligerent armies in the World War—even trinitrotoluene, the French seventy-five and the universal detonators—and gives proof that he has covered all these inventions by patents in the last thirty years. If the French courts recognize his contentions, he may yet become a multimillionaire.

CHINA AND THE ANGLO-JAPANESE ALLIANCE

BY SAO-KE ALFRED SZE*

Chinese Minister to the United States

Why the United States and China should be consulted in arranging any renewal of the pact between Japan and Great Britain—The only guarantee of peace in the Far East—Avowed objects of the alliance summarized in clear terms

IT has been said that an agriculturist is one who can make two blades of grass grow where only one grew before. So a banker may be defined as one whose business it is to produce two dollars with one. Where can money be placed to the best advantage? Economists tell us that materials, labor and capital are the essential elements of production. Capital is what bankers deal in. In order to make capital productive they have to seek a combination of materials and labor. Like Alexander, they are always seeking more worlds to conquer. What country presents a more alluring prospect for the investment of capital than China? Within its limits may be found everything that satisfies human wants. It has all the raw materials that are essential to industrial progress.

Take the Province of Shansi, for example. This province lies just north of the Yellow River. It is an immense coal bed. With modern methods of development, this region may some day rival Eastern Pennsylvania in anthracite production. There is the Province of Szechuen. This is a western province of the republic, bordering upon the Tibetan plateau. It is walled in on all sides by lofty mountain ranges. It has always been known as the treasure house of China. Salt, petroleum, gold and other metals are found in sufficient quantities to meet a constant demand. Its vegetable products, such as wood oil, are growing in commercial importance. I might

go on and tell of the products of the other provinces, but this is enough to show what opportunities American capital has in China's development. It is hardly necessary for me to say that China can furnish all the labor required for all industrial purposes. In fact, her economic strength lies in her labor. To provide employment for Chinese labor at home may solve a great many problems that are confronting other countries. China may be said to be a country of the future, and as such it presents immense possibilities and great opportunities for all.

THE ANGLO-JAPANESE ALLIANCE

I have been asked to say something about the Anglo-Japanese Alliance. This is treading on very treacherous ground for a diplomat. When John Hay was Secretary of State, it was the custom for a newly appointed Minister to come to Washington some time before proceeding to his post, for the purpose of receiving instructions. One newly appointed Minister came to Washington and went to the State Department every day for a month to receive instructions, but got none. At last, when it was about time for him to leave, he called on Secretary Hay to say good-bye, and as he was about to go he asked the Secretary about

*This article by the Chinese Minister at Washington is based upon a speech which he delivered before the New York State Bankers' Association in Atlantic City, June 24, 1921.

his instructions. For the moment the Secretary did not seem to understand what he meant. The Minister then explained that he had been in Washington for a month to receive instructions and had not yet got them. The situation began to dawn upon the Secretary, and he simply answered: "Make no speeches." This is good advice for all public men to follow. Many have disregarded this advice and got into trouble. One reason is that a speaker is apt to be misquoted. Another reason is that words when detached from their connections often take on different meanings. You will recall a very recent instance of this with reference to a very distinguished Ameri-

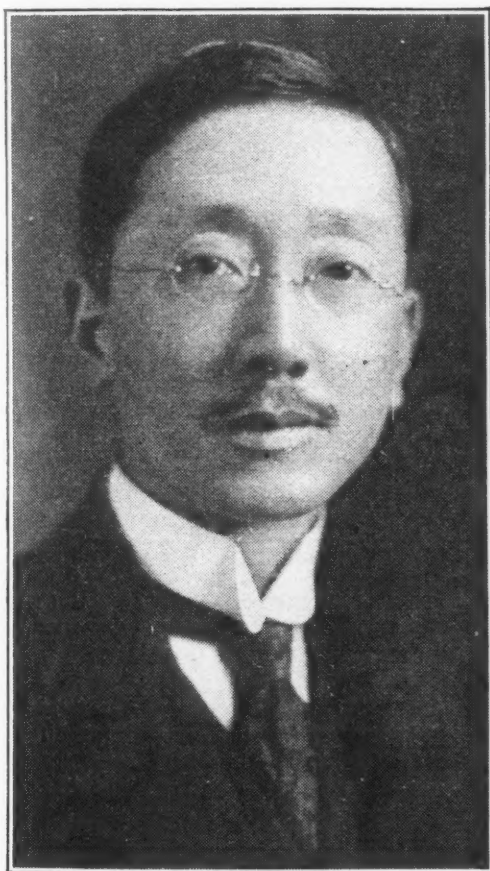
can naval officer. But on questions of the day it is sometimes desirable for public men to make their views known in order to clear the atmosphere. Among friends I have no hesitation in speaking my mind freely on the Anglo-Japanese Alliance, but it must be understood that I am speaking now not as a representative of the Chinese Government, but only as a private citizen of the Chinese Republic.

What is the Anglo-Japanese Alliance? It is a warlike measure designed by England and Japan to protect their interests in the Far East. Its avowed object, as set forth in the preamble of the agreement, has a threefold aspect, namely: (1) The consolidation and maintenance of the general peace in the regions of Eastern Asia and India; (2) the preservation of the common interests of all powers in China by insuring the independence and integrity of the Chinese Empire, and the principle of equal opportunities for the commerce and industry of all nations in China; (3) the maintenance of territorial rights of the high contracting parties in the regions of Eastern Asia and of India, and the defense of their special interests in the said regions. The alliance has a ten-year term, which expires in July. Accordingly, the question is now before the two countries for the third renewal.

CHINA NOT CONSULTED

You observe that this alliance has a good deal to do with China, but China has nothing to do with it. Here is an agreement vitally affecting China, but China has not even been consulted in its making. You will agree with me that any nation would resent such treatment.

The Chinese people, therefore, have good reasons to object to the renewal of the alliance. They regard the situation as intolerable. The sentiment against a renewal is growing in intensity and strength all over the country. The press has taken the matter up, and the Provincial Gov-



(© Harris & Ewing)

SAO-KE ALFRED SZE
Chinese Minister to the United States

ernments have made official inquiries of the Central Government in regard to it. The Chinese people are aroused as a nation and have raised their voice against it.

The preservation of peace in the Far East is a matter of such supreme moment that it concerns not only England and Japan, but other countries as well. China and the United States ought to have something to say in the matter.

With the possession of the Philippine Islands and Guam the United States may be considered as an Asiatic power. China occupies a large portion of the Continent of Asia. Under the circumstances, China and the United States have certain rights to be consulted in all matters pertaining to the Far East. An agreement for guaranteeing peace in the Far East, therefore, should include China and the United States as parties. Unless China and the United States become parties to the agreement, I cannot see how peace in the Far East can be made enduring.

Some years ago the A B C powers were instrumental in promoting peace

on the American Continent. You may be interested to know that there are A B C societies formed in China for international co-operation, A representing America, B Britain and C China. The object is to secure Anglo-American co-operation in the development of China. Such co-operation the Chinese people welcome.

As I have been so long in England, I know pretty well the general sentiment of the British people on the subject. It is fortunate for the world at large that the same guiding hand that led the British Nation through a successful war is still at the helm of British affairs. Mr. Lloyd George, who has seen so much suffering and misery inflicted by war, will not permit the peace of the world to be again disturbed. I feel sure he will in time find a way to get China and the United States into his confidence in affairs of the East. With Mr. Lloyd George at the head of the British Government the problem of the Pacific will be solved, I believe, with the same statesmanlike wisdom that has marked the handling of other momentous questions in the last few years.

THE PASSING OF THE DREADNOUGHT

IT was announced by the British Admiralty on June 1 that the old battleship Dreadnought, first of a famous class, was to be broken up. The Admiralty has sold the once mighty vessel, which blocked all the Kaiser's naval ambitions, together with over 100 other obsolete battleships, cruisers, monitors, destroyers and torpedo boats. Launched on Feb. 2, 1906, with her ten 12-inch guns, her complete armored belt and her speed of twenty-one knots, she not only made the rest of the British fleet obsolete, but also the rapidly growing fleet on which the Germans were building their hopes. The Dreadnought meant that the Kiel Canal had to be widened, the locks enlarged and the docks rebuilt. German time and money that might have been spent on constructive work

were wasted on mere alterations. Though the design was varied, every capital ship laid down by every country since then has been built on the all-big-gun model of the Dreadnought. This new battleship type, initiated by the late Lord Fisher, was a stroke of genius. When the great conflict began in 1914, Great Britain held an unquestionable advantage on the sea. And now, only fifteen years after King Edward VII. launched the great vessel at Portsmouth, with Lord Fisher standing at his side, the Dreadnought goes to the scrap heap, hopelessly obsolete. Such is the speed of naval progress: sic transit gloria. The advocates of a naval holiday—a period of lessened activity in battleship building—have here an argument on their side.

DOCUMENTS BEARING ON CHINA'S DESTINY

Dr. Sun Yat-sen's proclamation against the Peking Government, with his special appeal to the United States for recognition of the Canton Government—South China's charges against Japan—Peking speaks on Shantung—Important declaration of the United States regarding the "open door"

THE split between North and South China was accentuated by the return of Dr. Sun Yat-sen, the first Provisional President of the Chinese Republic, to the office of President under the new Canton régime, on May 5, 1921. On his assumption of office Dr. Sun issued a proclamation addressed to all the foreign powers. In this he set forth the deplorable state into which China had fallen, bitterly attacked the Peking Government as illegal and undemocratic, declared himself the constitutional leader of the whole country, laid down his program for reunification, and appealed to all the powers to recognize his Government. The text of this proclamation follows:

During the last four years the patriots of China have been waging war against the militarists and traitors of the country for the cause of constitutional government and for national existence itself. It has been no war between the North and South of China, but a struggle between militarists and democracy, between treason and patriotism. That the people in the North are sympathetic with the purposes and aims of the South has been demonstrated by the fact that they have spontaneously organized demonstrations and boycotts for the same purposes and aims.

The Government at Peking has lost the last vestige of its control over the provinces—even those nominally within its jurisdiction—where the military satraps are plundering the people and ruining the country. These militarists wage war among themselves in the struggle for power. One of them has lately gone to the extent of treacherously leaguering himself with the Russian monarchists, and aiding and abetting them to attack and capture Urga.

While the Peking Government is fast crumbling from sheer hollowness, foreign domination tends to spread from north to south. The existence of China as a nation is in jeopardy. Since the unconstitutional dissolution of the National Assembly in June, 1917, no de jure Government has existed in Peking. New election laws may have been made and new National Assemblies may have been elected, but they all lack legal basis. Confirmation of this has come from an unexpected quarter—from Hsu Shih-chang himself, when he issued the order in October last for the holding of a general election, based, not on the new election law which is the basis of his own title, but on the old election law, which is incompatible with his claim to the Presidency. The extraordinary spectacle is thus presented of the self-styled President of the republic confessing that he has no legal right to that title. Thus in this hour of crisis, when the national existence itself is imperiled, there is in Peking no Government which is legally constituted or able to discharge the functions of Government.

Under these circumstances the National Assembly, the only body of legally elected representatives of all the provinces and territories of the country, has established a formal Government and has elected me to be President of the republic. Being the founder of the republic, I cannot afford to see it in danger without making an effort to save it. Having been summoned once before—in 1911—to the Presidency, from which I resigned after a short tenure, in order, as I thought, to bring about unity to the country, I intend now to do all in my power to discharge those duties and functions honestly, faithfully and to the satisfaction of my fellow-citizens.

As the National Assembly which has elected me represents the whole country, irrespective of north or south, so it shall be my first endeavor to unite all provinces and territories of the republic under one Government, which shall be progressive and enlightened.

The legitimate rights of foreign powers and their nationals, duly acquired by treaty, contract or established usage, shall be scrupulously respected. The vast resources of the country, natural and industrial, shall be developed so that the whole world, suffering from the disastrous effects of long years of war, will be benefited. For this purpose foreign capital and expert knowledge will, in pursuance of the open-door policy, be welcomed. There is little doubt that with the Southern provinces enjoying good government and prosperity under honest administration and a constructive program, other provinces will be only too ready to throw off the yoke of militarism and misrule, and, acknowledging the authority of this Government, bring about the much-desired unification of the country. I believe my task is lightened by the fact of the illegality and incompetency of the Peking Government. That Government is not recognized by the Chinese people themselves, but is being propped up solely by its possession of the historic capital of the country and its consequent recognition by the foreign powers.

I appeal to the Governments of the friendly powers to withdraw recognition from the soi-disant Government which is avowedly no *de jure* Government, and which is proving itself not even a *de facto* Government. And, in the same manner in which they recognized the republican Government formed by the National Assembly in 1913, I request that they accord recognition to this Government formed now by the same Assembly. This is the only Government of the republic actuated by no desire of selfish gain, but by the sole motive of serving the republic to the best of its ability. Members of this Government represent those ideals and those principles which, if the republic is to survive and take its rightful place in the family of nations, as they firmly believe it will, must necessarily triumph, viz., liberalism, constitutionalism and devotion to the common weal.

SPECIAL APPEAL TO AMERICA

To the United States, however, Dr. Sun made a special appeal for recognition, believing that the American Government, pre-eminently, was the friend of democratic China and her protector by virtue of the Hay doctrine of the open door, which is characterized as the "Monroe doctrine of China." The text of this appeal, dated May 17, 1921, was obtained for CURRENT HISTORY from Ma Soo, the

unrecognized representative of the South China Government at Washington. It is addressed to President Harding and reads as follows:

Your Excellency:

I have just issued a manifesto to the Friendly Nations, but I am impelled, on behalf of my countrymen, to make a particular appeal to your Excellency, for the reason that we regard America as the Mother of Democracy and the champion of liberalism and righteousness, whose disinterested friendship and support of China in her hour of distress has been demonstrated to us more than once. China is now in the most critical time of her existence. Whether democracy triumphs or fails, much depends upon the decision of America. This time we look again to America to support righteousness and to help uphold the will of the Chinese people.

As I have shown in my manifesto to the Friendly Nations, the so-called war between North and South China is not a war between the different sections of the country, but a national struggle between militarism and democracy, between treason and patriotism. That the people in the North are sympathetic, and are working in co-operation with the South, has been demonstrated by the fact that they have spontaneously organized demonstrations and boycotts in order to fight against the foreign oppressor who supports these traitors.

When, at the end of the great war, the powers advised us to cease fighting and bring about the unification of the country, the South complied by meeting the North at a conference in Shanghai. The South was ready, for the sake of early restoration of peace, to yield in practically everything, on one condition, namely, that the Peking Government should repudiate all the secret treaties and, in particular, the Twenty-one Demands of Japan, which were contracted after the illegal dissolution of Parliament, and which were merely the bait offered by the Emperor Yuan Shih-kai for the recognition of his abortive empire. But this simple and just demand of the South was rejected. The South being unwilling to sacrifice national independence for a nominal unification, the Peace Conference came to a deadlock, and the state of war continued.

Furthermore, it was simply the weight of public opinion in China that forced China's delegates to the Peace Conference at Paris to present an appeal for the restoration of Shantung to China. The Northern militarists, however, worked secretly against this appeal, for should Japan be forced to re-

turn Shantung, they would lose the material support of Japan.

The internal condition of China has gone from bad to worse. While the people of North China are dying by the millions from starvation, food in abundance is "cornered" by these militarists around the famine districts for the sake of self-gain. This is proved by the fact that when some foreign philanthropists offered a large quantity of rice to relieve the famine situation, the Chinese Famine Relief Society declined the offer in kind, but requested in its stead the equivalent in money, on the ground that plenty of food can be gotten even in the famine areas.

Such is the state of affairs in China that unless America, her traditional friend and supporter, comes forward to lend a helping hand in this critical period, we shall be compelled, against our will, to submit to the Twenty-one Demands of Japan. I make this special appeal, therefore, through your Excellency, to the Government of the United States to save China once more; for it is to America's genuine friendship, as exemplified by the John Hay Doctrine, that China owes her existence as a nation. The John Hay Doctrine is to China what the Monroe Doctrine is to America. The violation of this Hay Doctrine would mean the loss of our national integrity and the subsequent partitioning of China. Just as America would do her utmost to keep intact the spirit as well as the letter of the Monroe Doctrine, so we in China are striving to uphold this spirit of the John Hay Doctrine. It is in this spirit, therefore, that I appeal to the author of the John Hay Doctrine to befriend the Chinese Nation again in this hour of her national peril, by extending immediate recognition to this Government. (Signed) SUN YAT-SEN.

JAPAN ARMS NORTH CHINA

The new South China Government shortly after its inauguration found itself called upon to renew actual fighting with its northern opponents, and according to charges made by Dr. Wu Ting-fang, the Foreign Minister in Dr. Sun Yat-sen's Cabinet, these continuers of civil war were armed and even officered by the Japanese. Ma Soo, the Washington representative of Dr. Sun, received a long dispatch from Dr. Wu on July 7 in which an account was given of the circumstances under which the militarists of Kwangsi, the province

bordering on Kwangtung, invaded the latter territory and how they were finally repelled. The dispatch, which made serious charges against Japan, reads as follows:

War has been forced upon the people of Kwangtung. We have been at pains to preserve peace in South China, so that industry might be developed and business prospered, but we are not permitted to go on with the peaceful development of the province. The Kwangsi militarists, urged by the war lords in North China and aided by funds from Tokio, have been for the last three months harassing the borders of Kwangtung. In several places they have crossed the boundary line and disturbed the peaceful inhabitants.

Instead of repelling the marauders by force, we withdrew our troops further into the province, hoping that time and reason would lead them to see the injustice of their actions, but our patience has been mistaken for weakness, and on May 22 a large force of Kwangsi militarists boldly marched across the border line and many miles into Kwangtung, plundering the city of Ling Shan, in the southwestern part of Kwangtung. Our soldiers urged them to withdraw, but in answer they fired upon them. Then our soldiers drove them back, and since then there has been fighting in many places along the border line. On June 30 our troops met the Kwangsi forces near Wuchow, the most important commercial city in Kwangsi, situated about 100 miles from the City of Canton.

We succeeded in capturing that city after a severe battle, but in the struggle we discovered that we were not fighting against the Kwangsi militarists alone. There were many Japanese fighting in their ranks. The Japanese Captain Nagamura directed the Kwangsi forces in that campaign, and many of the arms and munitions that fell into our hands with the capture of the city were of Japanese manufacture. We have also just discovered that the Japanese steamer Kogawa Maru, laden with arms and ammunition destined for Kwangsi, is now in the Port of Shanghai ready to sail for South China.

As there is an understanding among the different powers not to permit the importation of arms and ammunition into China for internal warfare, call their attention to this flagrant violation of that understanding. The people of China cry for justice. They hope their cry will be heard by liberty-loving people of America.

SHANTUNG PARLEY REFUSED

Despite the charge of the Canton Government that the Peking Government is in league with the Japanese in their encroachments on China, the Peking leaders continue to give signs that they have no intention of yielding to Japan in the matter of Shantung. The sending of Mr. Simpson ("Putnam Weale") to London to organize a whole campaign against Japan and the Shantung settlement demonstrated this quite recently. For many weary months Japan has used every persuasion to induce China to enter into discussions of the conditions under which the Shantung Peninsula might be returned to China. These invitations have been continuously refused. An official statement on the subject—the first in many months—was issued in Peking on June 22 by Dr. W. W. Yen, the Chinese Minister of Foreign Affairs. After asserting that China had always lost territory or prestige as a result of negotiations over international questions, Dr. Yen explained the Chinese view regarding Shantung as follows:

If Japan intends unconditionally to restore the German leased territory in Shantung and the inalienable rights and privileges formerly enjoyed by Germany, she should announce that fact to the world in unequivocal terms. If she proposes to make conditions for such restitution, she should likewise frankly announce those terms for all nations to pronounce judgment upon them.

China does not want an empty restoration, but wishes to know in advance what restoration is meant—what Japan proposes to do with all public buildings, docks, railway terminals, railways, mines, the property seized by Japan since her occupation by forced sale; the salt industry, and the revenues from the railways collected by Japan during her occupation. Let Japan go on record as to what she intends to do with these and other questions, and there will be no need for negotiations.

Furthermore, China does not wish to jeopardize her right to carry the Shantung question to the League of Nations by entering into direct negotiations. China does not purpose to permit Japan to cite such negotiations in support of possible opposition to submission of the question to that body.

China also would be lacking in proper consideration for the nations which have interested themselves in the Shantung settlement should she undertake to negotiate directly. This is particularly true with reference to the Senate and people of the United States, who have evinced a friendly desire to see China's interests safeguarded.

Internationalization of the port of Tsing-tao would meet with approval by China. It is in line with China's declared policy and action in throwing open various ports to international trade, and it is realized that it would be greatly to China's interest. The initiative in this direction, however, lies with China and not with Japan.

[For further details of Japan's foreign policy, see Page 887.]

INSISTING ON THE OPEN DOOR

The Peking Government was much elated by a new declaration for the open-door policy in China, issued by Secretary Hughes in answer to a letter from Sao-ke Alfred Sze, the Chinese Ambassador at Washington, inquiring as to the attitude of the United States Government on the various complaints made by the British, Japanese and Danish Governments against wireless concessions granted by China to an American wireless company. The full correspondence was given out subsequently by Mr. Sze. The Ambassador's note, dated June 9, referred to the agreement made on Jan. 8 between the Chinese Minister of Communications, representing the Peking Government, and the Federal Telegraph Company, an American corporation, "for the erection and operation, as a joint enterprise of the Chinese Government and the American company, of stations for wireless communication." It further referred to the protests made by several of the powers, on the ground that previous rights granted to their respective nationals were thereby violated. The reply of the American Secretary of State was sent on July 1, 1921. Here is the official text:

I have the honor to acknowledge the receipt of your note of June 9, and in reply assure you that it is not the intention of this Government to withdraw

from the position hitherto taken by it in support of the rights accruing to the Federal Telegraph Company under the contract of Jan. 8 last. In its view, the communications which it has received from the other interested Governments, in reply to its inquiries as to the reasons for their protests to the Chinese authorities against this contract, tend only to confirm this Government in its belief that the adverse claims which have been urged as excluding the Federal Telegraph Company from participating with the Chinese Government in establishing wireless communications are founded upon assertions of monopolistic or preferential rights, in the field of Chinese Governmental enterprise, which cannot be reconciled either with the treaty rights of American citizens in China or with the principle of the open door.

Your reference to the principle of the open door affords me the opportunity to assure you of this Government's continuance in its whole-hearted support of that principle, which it has tradition-

ally regarded as fundamental both to the interests of China itself and to the common interests of all powers in China, and indispensable to the free and peaceful development of their commerce on the Pacific Ocean. The Government of the United States has never associated itself with any arrangement which sought to establish any special rights or privileges in China that would abridge the rights of the subjects or citizens of other friendly States; and I am happy to assure you that it is the purpose of this Government neither to participate nor to acquiesce in any arrangement which might purport to establish in favor of foreign interests any superiority of rights with respect to commercial or economic development in designated regions of the territories of China, or which might seek to create any such monopoly or preference as would exclude other nationals from undertaking any legitimate trade or industry or from participating with the Chinese Government in any category of public enterprise.

HUGO STINNES, THE GERMAN CROESUS

TO say "Stinnes" today in Germany is to pronounce the German equivalent for "Rockefeller." This comparison is true, however, only as regards the enormous fortune which Hugo Stinnes, coal magnate, steamship owner and newspaper controller, has by a chain of fortunate circumstances, depending mainly on the war, but also on the man's undisputed commercial ability, been enabled to amass. Aside from his vast interests, or rather by means of the power they give him, this sinister-looking figure has become a political force. The Economic Review of June 10 describes him as follows:

He has the somewhat squat figure of a country parson; his swarthy complexion and black hair and beard have earned him the name of "the Assyrian," the gaze of his narrow eyes under heavy eyebrows is penetrating, his mouth is hard and long, with thin lips. * * *

The leader and financier of the German Popular Party, he is now, from both the economic and the political standpoint, a central figure of public life, and it is even said that the Fahrenbach Cabinet did not

dare to reach any decision without hearing his views. While his vast industrial undertakings spread further and further through Germany, and his numerous newspapers give the law to the rest of the press, he is proclaimed by the ultra-pan Germans as the legitimate successor of Bismarck. To the Socialists, naturally, he is anathema as the incarnation of capitalism and reaction.

Stinnes has reached his present position within thirty years. Only 50 years of age, he started his career at Mülheim on the Ruhr with a capital of 50,000 marks. The stages of his rise were through the sale of coal to the acquisition of mines, from iron and steel production to shipping. The chief purveyor of military supplies for the German Government during the war, he charged and received fabulous profits, plunged into politics, bought newspapers (including the official organ of the Government, the *Deutsche Allgemeine Zeitung*) and even the Hirsch Telegraph Union, indispensable for the lesser German press. Today he seems to be on the way to buying up all Germany.

MUSTAPHA KEMAL AND THE GREEK WAR

BY CLAIR PRICE

An American newspaper correspondent who has lived in the Near East

What the Turkish Nationalists under Mustapha Kemal are fighting for, and how the fate of Europe may hang upon the decision of their war with the Greeks—Why the struggle centres about the Treaty of Sevres—Constantinople the key of the situation

THE new campaign begun about the middle of July by King Constantine and his Prime Minister against the Turkish Nationalist forces under Mustapha Kemal Pasha may justly be said to involve the fate of Europe. The danger of this new war for control of Asia Minor is fully realized by some of the allied Premiers.

The war in Asia Minor between the Turks and the Greeks centres about the Treaty of Sèvres, which originally was wholly favorable to Greece and unfavorable to Turkey. The first trouble came when that treaty was modified at the London Conference held in February, 1921. Greece, seeing herself threatened with loss of the advantages gained under the original treaty, rejected the modifications decided upon by the Allies, and rushed into another war with Turkey, a war devised to enforce the Sèvres Treaty on a strong Turkish Nationalist Government, for whom that treaty is "suicide 400 times over." It is a war of peculiar futility, inasmuch as its outcome, whatever it may be, has yet to receive the consent of Russia—the senior partner to all settlements in Turkey, a senior partner temporarily laid up with troubles of his own. Until Russia guarantees a new régime over the Straits of Constantinople it is difficult to consider any such new régime as permanently written into Near Eastern history. The Russian Government has already repudiated the Near Eastern settlement which the Sèvres Treaty proposes. In its

treaty of last March with the Turkish Nationalists it announced its own policy respecting the Straits in the following language:

In order to secure full freedom of trade on and around the Black Sea, a conference of the neighboring States shall be called to draw up the necessary, detailed and authoritative statutes, which shall, however, in no way tend to diminish the absolute sovereignty of Turkey, or the security of the country and its capital, Constantinople.

Greece's disregard of such a pronouncement can hardly be accidental. One can look upon the blow which Greece has dealt the Turkish Nationalist Government only as an attempt to rush the imposition of the Sèvres Treaty during Russia's absence. In the light of France's coolness toward the Sèvres Treaty and of Italy's known hostility; in the light of the century of worry which Constantinople has occasioned the British Government, one may infer that the British are not disinterested spectators of this attempt to present the future Russia with a Greek *fait accompli* in the region of the Straits. One may go further and find in the present Greco-Turkish war a circumstance of the highest importance in connection with Great Britain's failure thus far to summon the general peace conference provided for in the Anglo-Russian Trade Agreement.

THE RELIGIOUS ISSUE

But the Anglo-Russian struggle for the mastery of the East, a struggle

which has raged for more than a century from the Balkans to Burma, is not as historic an aspect of the Greco-Turkish war as the mediaeval religious issue which still abides between the Ecumenical Patriarch of Orthodox Christianity and the Caliph of Sunni Mohammedanism.

Judaism, Christianity and Mohammedanism have all sprung from the same corner of the earth. All three are monotheist religions with many elements held in common. Just as Christianity may be looked upon as Judaism plus the Messiahship of Jesus, so Mohammedanism may be looked upon as Christianity plus the sword of Mohammed; for Mohammed did not come to reveal a new religion, but to convert the world to the religion revealed before him by Moses and Jesus. Yet, closely related as they are, the respective believers in Christianity and Mohammedanism probably hate each other more than the

devotees of any other two religions on the face of the earth; the memory of the great Mohammedan conquest is too green in Christian minds to permit of peace.

It is idle to point out that Europe no longer lives in the Middle Ages, that wars arise nowadays out of politics rather than religion, that the Sign of the Cross has been somewhat eclipsed of late by the Sign of the Factory Chimney. It is a waste of breath to point out that there are as good brains in Mohammedanism as in Christianity, and that the Near East has abundant need of both, if its broken pieces are to be picked up and put together again. For Europe is still a small continent completely surrounded by Mohammedanism and the sea. Good Europeans know what to expect of the sea, but not even the shrewdest of them looks upon Mohammedanism as a dependable force. Twice in the last dozen of centuries Mohammedanism has ripped and torn its way deeply into Europe. Once it was Charles Martel who flung the Arabs back from Tours; nothing now remains of that raid except the memory of the great days when Cordoba ranked with Bagdad as a seat of Arab learning. Later it was Vienna which twice stood like a rock in the path of the Grand Turk—and Constantinople is still a Turkish bridgehead. The Ecumenical Patriarch still wanders homeless among the churches he lost in Stamboul on the afternoon of May 29, 1453. Now that Russia for the moment is out of it, Greece has become the spearhead of Christian Europe, and the Greeks are ready to sound the Last Post over the Mosques of Stamboul.

No move in the history of Christendom has hurt Mohammedanism so much as the Treaty of Sèvres, and the association of Great Britain's name with that treaty is in marked contrast to the benevolent tradition which characterized British policy in Mohammedan countries down to 1914. Great Britain's historic enemy at



(© Underwood & Underwood)

MUSTAPHA KEMAL PASHA
Commander-in-Chief of the Turkish
National Army

Constantinople has been Russia, and one may infer that the greatest Mohammedan power in the world would not have put its name to the Sèvres Treaty without a very urgent motive.

For the present, Greece has undertaken the imposition of the treaty on the Turkish Nationalist Government, and the Greco-Turkish war is being waged in the small ring of a world arena, an arena in which far greater issues are at stake than were settled in the great war. If, however, we may cut sharply away the endless ramifications of the Greco-Turkish war, we shall find that the Turkish end of the war presents a remarkable story in itself.

THE BRITISH OCCUPATION

The crash of the last three years' events in Europe still obscures the fact that the old Turkish Empire has at last been partitioned. When General Townshend, of Kut-el-Amara fame, led a Turkish delegation down to a British battleship off the Dardanelles at midnight of Oct. 30, 1918, what was left of Turkey consisted of about 300,000 square miles stretching from Bulgaria to Baku. The separate armistice with Great Britain, which the Turkish delegation signed that night, stipulated the withdrawal of the unbeaten Turkish armies in Transcaucasia behind the old Turco-Russian frontier, and Turkey thereafter, pending the signing of peace, occupied an area of some 250,000 square miles, with a population of some 10,000,000. Turkey then included only Turkish territory proper. The Arab countries from the Persian Gulf to Libya were lost.

The armistice was followed by one of the important events in the history of Europe, but amid the din of a world war which was smashing to its close it slipped by almost unnoticed. The Anglo-French Saloniki force marched into Constantinople; the greatest naval force Constantinople had ever seen, a force which included a large proportion of the British Grand Fleet itself, steamed up the

Dardanelles and anchored off Dolma Bagtsche Palace; and, temporarily at least, Constantinople had been returned to Christian control.

The British command in Constantinople took over the policing of the Pera section, detailed control officers to operate the Bagdad Railway to Konia, whence British expeditionary forces operated it all the way to Mesopotamia, and dispatched heavier forces to Batum for the occupation of Transcaucasia. The French command policed the Stamboul section of the capital, operated the railways of Turkey in Europe, and garrisoned the principal towns. The Italian command policed Scutari, on the Asiatic shore of the Constantinople area, and later occupied a large area of Turkey in Asia, extending from Adalia to Konia. The rest of Turkey in Asia was not occupied; the British command did not have troops available. Here the war had broken down the whole fabric of ordinary intercourse. Banditry and typhus were laying waste what was left to lay waste; whole provinces lay in weed-grown ruins; and in large areas across which the Turkish and Russian armies had surged neither man nor animal could be found alive. Throughout this great stretch of primitive Alpine country the allied command in Constantinople permitted the Sultan's Government to police the larger towns in an effort to bring such order out of the appalling chaos as it could.

The Sultan's Government had now returned to the British influence, which had dominated it from 1810 to 1888. Purged of its Russian alliance and traditionally linked to the Sultan-Caliph by reason of India's 60,000,000 Mohammedans, Great Britain was Turkey's inevitable refuge as long as the Turkish Government should be too weak to stand alone against the powerful influences which make a perpetual battleground of Constantinople. For the time being the Turks looked to the Mohammedans of India to produce a British

peace treaty as easy in its terms as the British armistice had been, and, in so far as the broken-down means of communication in Asia Minor permitted, the Sultan's Government obeyed the allied demands to the letter, demobilizing such forces as the terms of the armistice demanded, and surrendering large quantities of war material to British units on the fringes of the Constantinople area. Further than that, the Turks sought in the United States an escape from permanent British domination. Turkey's demand to be taken under an American mandate became unanimous, despite the fact that the Allied Board of Censors in Constantinople had forbidden the publication of "news from Russian Soviet or American agencies" in the Turkish press.

Then came the Greek occupation of the great Turkish port of Smyrna on May 15, 1919, which alienated Turkey from the British and compelled her to stand or fall by her own strength.

MUSTAPHA KEMAL'S DEFIANCE

Because the Greek disembarkation had been preceded by a small British landing, the Turks rightly or wrongly interpreted it as a British move. It caused such amazement that every shop in Stamboul shut its doors for three days, and the British command across the Golden Horn in Pera mounted machine guns on Galata Bridge. The Turks claimed that, since Greece had not been one of the Allies, the Greek occupation of Smyrna was a violation of the armistice they had signed with Great Britain, and was equivalent to a new declaration of war on Turkey. Even now, in little Turkish villages far away in the mountains of Asia Minor, one may see Turkish men mumbling over their coffee about the "dirty English," and Turkish women passing with the red brassard inscribed in black Turkish script: "Remember Smyrna until it is avenged."

The armistice with Great Britain was torn up, and thereafter not an-

other bullet was surrendered to the Allies. Thrown on their resources, the Turks were able to find a strong man in the person of General Mustapha Kemal Pasha, then Commander of the Turkish Third Army Corps stationed at Sivas in Asia Minor. In view of the sort of government which Constantinople has forced upon the Turkish Nation for the last century, a system of government in which nearly every strong man whom Turkey could produce was sooner or later assassinated, Mustapha Kemal's rise at this desperate moment evidences the soundness and virility of the Turkish people. Mustapha Kemal declared his allegiance to the person of the Sultan, whom he regarded as a prisoner in enemy hands, but he repudiated the Sultan's Government, which he declared was incapable of registering the decrees of the Turkish people, by reason of the pressure of the allied command in Constantinople.

Disregarding Constantinople's demand for his resignation, he hastily began extemporizing a Turkish Government in Asia Minor which should represent the Turkish Nation until such time as the Sultan's Government in Constantinople would be able to function freely. In the meantime the Sultan's Government preferred charges against the Greeks of atrocities committed during their occupation of Smyrna, and the allied command in Constantinople sought to ease an increasingly difficult situation by dispatching a commission, consisting of the British, French, Italian and American High Commissioners, to conduct an investigation at Smyrna. The result of the investigation was that four Greek officers were sentenced to long terms of imprisonment, but the commission's report was officially suppressed. One who looks upon the old Turkish Empire as one of the major scandals of Christendom may be permitted to point out that it is by such suppressions of the truth that hatred of the

Turkish Nation has been manufactured.

Mustapha Kemal's efforts brought some 300 delegates from the Turkish provinces of Asia Minor trekking into the ruined town of Erzerum. The Congress of Erzerum in July, 1919, was followed by the still larger Congress of Sivas in September, at which the Grand National Assembly was organized to sit at Angora as the provisional Turkish Government. The final inauguration of the National Assembly was, to any lover of Turkey, the most hopeful event which has occurred in Turkey for more than a century. It is impossible to visualize its vast promise for Turkey without knowing something of the old days of the empire, and of a Turkish Government in Constantinople which, in fact, was anything but Turkish.

The old Turkish Empire occupied the military centre of the world. It was the junction of three continents. The trade routes of Asia, Africa and Europe crossed and crisscrossed it. With the rise of the mechanical revolution Europe began to reach out along the trade routes after the raw materials of Asia and Africa. From a continent of castles and serfs, Europe became a continent of blast furnaces and trade unions, driven by industrial hunger into that terrific competitive search for raw materials which goes under the name of imperialism. Europe's reach for the raw materials of Asia and Africa, along with the control of the trade routes to fetch home these materials, inevitably brought it into touch with Constantinople. The medieval religious feud which has centred for centuries in the Mohammedan bridgehead of Constantinople became inextricably interwoven with the powerful industrial influences of European imperialism. Although an Eastern and a non-industrial nation, Turkey endeavored to drop into step with the new industrial march of Europe; but the young Russian Empire was already feeling the bars of its Black Sea jail, Great Britain was finding it

imperative to bar Russia from the Straits, and Constantinople had already become the battleground of the most powerful political forces in the world.

One can indicate only a few typical results for Turkey. The capitulations were forced on the Sultan's Government by which every unscrupulous rascal who could show a foreign passport was placed beyond the reach of the Turkish courts. Treaties were forced on the Sultan for the "protection" of his minorities, treaties which were not enforced and which had the single effect of stimulating his minorities against the empire. Money was loaned to Turkey by bankers who, in return, took over a mortgage on every piaster of the Turkish Government's revenue, making the Government a helpless subsidiary of its foreign bondholders. The time finally came when Turkey needed everything necessary to a modern industrial country, railroads, harbors, ships, good roads, water power, factories, but even its salt and tobacco were already foreign monopolies. So completely was its income tied up that when the Sultan built the Hedjaz Railway he had to call for popular subscriptions, and Turkish women stripped the jewels off their fingers and even cut off their hair and sold it. The Turkish Government long ago ceased to rule in Constantinople, and the European embassies, each with its court of concession hunters, permitted nobody to succeed it. The empire became an insane asylum of jangling races and religions, while Constantinople became such a cesspool that its future, a British doctor once said, has become not a political, but a medical problem.

A PATRIOTIC MOVEMENT

It was a bitter and an unaccustomed position for Turkey. The result was a slow but substantial growth of a Turkey-for-the-Turks movement, a sound nationalist movement which envisaged a Turkey standing again erect among the na-

tions by its own strength. For the moment, however, Turkey was tied hand and foot. In order to preserve her life she was compelled to rely on the great British Embassy in Constantinople which saved her from Russia in 1856 and again in 1876. But the British Embassy refused in 1880 to accept concessions for the construction of a railroad from Constantinople to Bagdad, and Turkey's need of such an elementary highway was so urgent that she finally broke with Great Britain and let the first of the Bagdad concessions in 1888 through the German Embassy, relying on the Berlin-to-Bagdad scheme to afford her the same protection from Russia as the British Embassy had previously afforded. Turkey's position remained as humiliating under German domination as it had been under British influence, but the completion of the Bagdad Railway was expected to hasten the day when Germany could be dismissed as Great Britain had already been dismissed.

When in 1907, however, Great Britain unexpectedly signed a truce with Russia in Persia, and King Edward VII. met the Czar at Reval in 1908 preparatory to lending his powerful support to Turkey's great enemy, an electrical shock ran through Turkey. Any agreement between Great Britain and Russia, Turkey reasoned, would inevitably mean her own partition (and the secret Anglo-Russian agreement of 1915, by which Russia "annexed" Constantinople, showed how shrewdly Turkey reasoned); if Turkey was to break her bonds it was now or never.

Turkish nationalism broke surface at once in the Young Turkish revolution of July, 1908. Throughout the empire this movement was hailed with the wildest enthusiasm, but it flickered and went out in the foul air of Constantinople. The great war came, and although Germany was compelled to drag the Turk into it by the heels, Turkey's interests lay inevitably with Germany, for it was Germany who was fighting Russia.

Once in the war, Turkey rescinded the capitulations and Turkish nationalism rose again to meet its supposed opportunity.

But Germany's collapse in 1918 only returned Turkey to the British influence, and allied garrisons in Constantinople itself (the only enemy capital which the Allies have occupied) now fastened a more rigorous control than ever on the Sultan's Government. But beneath the surface the current of Turkish nationalism still flowed so strongly that, with the Greek occupation of Smyrna, it was able to take the utterly unprecedented course of throwing up at Angora a free Turkish Government in flat defiance of Great Britain.

ANGORA FORMIDABLE

At Angora Turkish nationalism found at least its long-denied opportunity. Throughout the Autumn and Winter of 1919 the Angora Government attracted increasing numbers of Turkish leaders from Constantinople, and its growing prestige stiffened the hands of the Sultan's Government. From the British point of view the situation became intolerable, and early in March, 1920, the British command in Constantinople withdrew the British control officers from the Bagdad Railway and the allied command withdrew the Italian forces of occupation from the region about Konia. Having evacuated Asia Minor to the Angora Government, early on the morning of March 16 the British command in Constantinople seized the Constantinople telegraph and telephone system, effectively cutting off the Sultan's Government from Angora, and deported to Malta every Turkish leader in the capital who was suspected of the nationalist taint and who had not yet succeeded in making good his flight to Angora.

Meanwhile, Mustapha Kemal's Government at Angora was hemmed in on all sides by enemies.

The Armenians, who had set up the Republic of Erivan in Transcau-

casia, were gathered along the old Turco-Russian frontier awaiting repatriation into the eastern Turkish provinces—a repatriation which the Turks believed would be the cover for the detachment of a large area of Turkish territory and its incorporation in the Erivan Republic. The Angora Government continued to hold the old Turco-Russian frontier with a strong garrison, and still holds it.

The Greeks had occupied Smyrna city, Smyrna province, and a ragged area greatly overrunning the boundaries of Smyrna province. Greeks were also flowing into Trebizond and Kastamuni provinces on the Black Sea, and a propaganda was rife for the detachment of these provinces from Turkey and their elevation into the Greek Republic on the Pontus. Here the Angora Government also assigned garrisons, and still holds uncontested its Black Sea frontier, but the Smyrna theatre is still the scene of military operations.

The British Egyptian Expeditionary Force had evacuated the plain of Adana, Syria, and the fringes of Upper Mesopotamia to the French, and here Mustapha Kemal launched a campaign which pressed back the Franco-Armenian forces until the French command at Beirut was forced to sue for an armistice. Further negotiations between Angora and Beirut recovered for Turkey all the Adana plain and extended the Turkish frontiers in Syria and Upper Mesopotamia down to the line of the Bagdad Railway.

These operations compelled France to evacuate most of Turkey in Europe, and the Turks of Adrianople (European Turkey) immediately began an isolated nationalist movement under the leadership of Colonel Jaffer Tayer Bey. Angora at once moved on the Straits to link up with Adrianople. This precipitated such a crisis at Constantinople that the British command was compelled to evacuate Batum and to recall to Constantinople every British and Indian soldier it could lay its hands on. The

Greeks were hurriedly loosed against Jaffer Tayer; his nationalist movement was snuffed out, and with Greece holding Turkey in Europe in Constantinople's rear, the British command was able to throw its strength upon the Asiatic shores of the Constantinople area, where British battleships were now shelling the Angora troops in the very suburbs of the capital.

EFFECTS OF SEVRES TREATY

While this situation had been developing, the Treaty of Sèvres was handed to the Sultan's Government on May 11. Except that German and Russian interests were excluded, the Sèvres Treaty proposed to fasten officially and permanently on the Sultan's Government the same outside control which had slowly rotted that Government during the old days of the empire. It proposed to make over immediately to Greece all of Turkey in Europe except the Constantinople peninsula; to deprive Turkey of military access to Constantinople, and to make her retention of the capital contingent upon her observation of "the provisions of the present treaty, or of any treaties or conventions supplementary thereto"; to transfer Smyrna and its hinterland to Greek administration within the Greek customs system, and to place what remained of Turkey under the permanent financial, military and economic control of Great Britain, France and Italy. Its final proposal was to commit the peculiarly Turco-Russian problem of the Straits to an international commission to be "composed of representatives appointed respectively by the United States of America (if and when that Government is willing to participate), the British Empire, France, Italy, Japan, Russia (if and when Russia becomes a member of the League of Nations), Greece, Rumania and Bulgaria and Turkey (if and when the two latter States become members of the League of Nations)."

A delegation of elderly Anglophile Turks representing the Sultan's Government in Constantinople finally signed the treaty on Aug. 10, but the Angora Government had already denounced it, and with its denunciation France tacitly and Italy openly had associated themselves. The Russian Government had also repudiated it, and at the Conference of London last February the British Government itself offered to modify it by evacuating Constantinople and instituting allied investigations into the wishes of the inhabitants in the Smyrna area, and in Turkey in Europe. But the proffered modifications were rejected by the Greek dele-

gates, and within a week Greece had launched a blow from Smyrna which was intended to smash Angora, to hurl Turkey back into Asia Minor, and to erect in her place a new Greek Empire across the Straits. Angora broke the Greek drive at Eski-Shehr, however, and extinguished the last lingering spark of life in the Sèvres Treaty.

Now the Turks and Greeks are again fighting for a settlement of the great issues at stake. The immediate issue is Smyrna. The future of Constantinople depends on the fate of Smyrna—and the future of Europe, perhaps, depends upon the fate of Constantinople.

WHY THE GREEKS ARE FIGHTING TURKEY

BY ADAMANTIOS TH. POLYZOIDES

Editor of the Greek Daily, Atlantis

A war for the rescue of millions of Greeks from intolerable Turkish persecutions—Historical evidence to prove that Asia Minor always has been Greek territory—Appalling facts of recent massacres, which are among the causes of the present war

WHAT is the essential character of the Greek struggle in Asia Minor? Is it an imperialistic campaign such as the Socialists consider it to be, or is it an assignment given to Greece by Great Britain in order to strengthen and maintain the British hold on the Near East; or is it an effort of King Constantine to preserve his popularity with the Greek people?

All these explanations and many more of a similar character have been given to the events that we are witnessing in the war now going on in the region that was the cradle of Greek and Christian civilization. And yet no one seems to know, or dares to say, that this whole Greek campaign is purely a struggle of self-preserva-

tion, conducted by the same nation that sent the first settlers and that has always furnished most of the inhabitants of the extended territory known as western Asia Minor.

The most superficial reading of history will show to what an extent the Near East is Greek territory. That previous to the Greeks there may have been other races in those lands no one denies. But even in that case, those aborigines have been so completely absorbed by the Greek element during the last thirty centuries, that no trace of them remains, save perhaps, in some grotesque forms of prehistoric ruins—ruins which, even to this day, have not given us the secret of the races that

built those walls, temples and palaces of so long ago.

On the other hand, Greece, both ancient and modern, has left the imprint of her culture and civilization over all that vast territory in which Hellenism has never ceased to predominate for three thousand years.

Asia Minor, making the westernmost end of the Asiatic continent, forms an extensive peninsula, stretching between the waters of the Mediterranean and the Black Sea, from the Gulf of Issus (the present Alexandretta) to the shore of Trebizond, and advances as if to meet the European continent. Thus we consider Asia Minor the first stop of Asia, in the same way as the Asiatic peoples consider Greece the first sentinel of Europe. Here we have two names, Greece and Asia Minor, which by nature are inseparable. Here we have two opposing elements that must live together. * * *

There, notwithstanding the differences in geography, in racial features, in religions and habits, the will of nature has always been stronger than human prejudices. Greece and Asia Minor have always been destined, willy-nilly, to be provinces of the same State * * *. In this continuous struggle, which began historically with the Trojan war, Greece and Asia have been alternately the victors, and for the last 400 years the Turks were the masters of both lands. It is a fact, however, that long before the Ottoman conquest the Greek element was fighting and winning for so many centuries that the Christian world became used to consider Asia Minor as an integral part of Greece. Anatolia in those years was simply Asiatic Greece.

How long will this arrangement last? God alone knows. And yet we must acknowledge that European civilization is daily making new progress in the redemption of its lost territory. Asia Minor, always leaning to Europe, whose waters bathe its three sides, turns its back to Anatolia as if to show that it does not belong to it. It is therefore for this reason that we have always considered Asia Minor as an annex to Europe and as the necessary complement of the Constantinople Empire. This is shown by the fact that, notwithstanding its temporary subjection to the Asiatics, Asia Minor has never remained under their mastery, except only the period of 400 years when this mastery was extended to cover Old Greece itself.

These are not the words of a Greek imperialist, nor the arguments of a politician. They are the sober thoughts and findings of a learned Frenchman, Dr. Ph. le Bas, author of probably the best historical book on Asia Minor.

According to the same historian the country was first mentioned as Asia Minor in the fourth and fifth centuries, A. D. But it was in the middle of the tenth century, A. D., when the Greek Emperor Constantine VII., known as Porphyrogenitus (the one born in purple) stated that Anatolia was the name given to the territory east of Constantinople, while the same territory was known to the inhabitants of greater Asia, to Hindus and Ethiopians, and to those living in Syria and Mesopotamia, as the Middle West or Asia Minor. From the Byzantines the Turks inherited the name of Anatolia, which they gave to the entire territory known today as Asia Minor.

According to the division made by the Turkish Sultans after their conquest of that territory, Asia Minor, which is separated from the rest of Asia by a straight line drawn from the Gulf of Alexandretta to Trebizond, was split into the following named provinces or vilayets: Aidin, with Smyrna as capital; Houdavendikar, with Broussa as capital; also these, known under the names of their capitals: Konieh, Angora, Kastamoni, Sivas, Trebizond and Adana. In addition, the Asiatic territory adjacent to Constantinople was made part of the Province of Constantinople, while the independent counties or Sandjaks of Ismid and the Dardanelles formed what is now known as the Zone of the Straits.

PERSECUTION BY TURKS

More than three million Greeks lived in this vast territory in 1914. These Greeks were the remaining population after 400 years of continuous persecution by the Turkish conquerors. It is estimated that nearly two million Greeks made their

escape to Russia and other lands after the fall of Constantinople. That an equal number were massacred in all parts of the empire during the four centuries between the Turkish conquest and the Greek revolution of 1821 is a conservative estimate of the Greeks' national loss under the Turks. But to this must be added the Greek youths that were snatched from their families at the tender age of ten, to be brought up by the State and become the Janissaries, the backbone of the military organization of the Empire. In the beginning a thousand of these boys were taken each year, but afterward the number was greatly increased; as the Janissaries were maintained for 200 years, it is believed that upward of a million Greeks were lost that way. An equal number was forced to adopt Islam, while the number of those who renounced their faith voluntarily in order to share the spoils and the privileges of the ruling race can only be guessed at. Thus one is not far from the fact when placing at five to six million people the net loss of the Greek nation under the domination of the Turk.

This systematic extermination or Turkification of the conquered race was based on very solid reasons—from the Turkish point of view. The founder of the Turkish dynasty, Ertogrul, had only 400 families with him when he settled around Broussa in the latter part of the tenth century A. D. This small Turkish group for the next hundred years was continually occupied with efforts to gain the support of the chieftains of various barbarian bands that were coming from Turkestan and Indo-Chinese borders and settling on the fringes of the Byzantine Empire. The paramount object of the Turks was the creation of a strong army, and this could not be formed except at the expense of the conquered population.

Being the strongest element in Asia Minor, the Greeks naturally paid the largest toll of suffering exacted from the Christian peoples of the Near East after the Turkish invasion. That they

survive today is due to the tenacity of their superior civilization, and their religious, cultural and communal organization, which they preserved under the most trying circumstances.

Against this hard-headed and morally strong element the Turk, notwithstanding his fighting qualities and his fanaticism, had to give way. He had some very significant victories in Europe, and for a moment his victorious armies threatened Vienna itself. But aside from his military prowess, and his contempt for death, the Turk lacked the attributes of a civilized and civilizing people, and when he abandoned Europe he left behind him nothing but the memory of a hideous nightmare. Travelling over what for five centuries has been the Ottoman Empire, one looks in vain for such landmarks as the Moors left in Spain, and the Arabs in Bagdad and Jerusalem. No more backward nation ever invaded Europe from the East, and the invasion was made with the avowed purpose of destroying all that Greek and Christian civilization had accomplished in twenty-five centuries.

Asia Minor was first colonized by Aeolian, Ionian and Doric settlers, who established themselves along the coast of the Aegean and all the way up to the Black Sea. Even before the campaign of Alexander the Great, it was one of the most highly developed centers of Greek culture and civilization, as well as of commerce and business. It was scarcely less so after the premature death of Alexander, and after the Hellenic Empire fell under the heel of the legions of Rome.

GREEKS SAVED CHRISTIANITY

Greece fell, politically and militarily, just about the time when Christianity made its appearance in the Near East. That fact explains the marvellous Hellenic revival of Byzantium. It was on ground previously prepared by the teachings of Greek philosophy that the Sermon on the Mount fell, and it was the eager adoption of the Christian doctrine by the

Hellenized portion of the Roman Empire that gave Christianity its first and only chance for development and stability in the world. With the Jewish world holding strictly to the traditions of the past, and the Roman Empire firmly upholding the ancient pagan gods, who but the Greeks of Asia Minor saved Christianity in those early years?

The Orthodox Church was originally Greek; the seven general councils whose canons had fixed its doctrines were Greek. And, as Finlay says in his marvellous history of the Greeks under the Romans, "from the moment a people, in a state of intellectual civilization in which the Greeks were, could listen to the preachers, it was certain that they would adopt the religion." In Athens Paul was listened to with great respect by the philosophers. Constantine the Great was probably the first Roman to understand that the destinies of Christianity and Hellenism were closely interwoven, and when he made Christianity the official religion of his Eastern Empire he sealed the fate of the old Roman imperialism, which gave place under Emperor Leo III. to the Hellenized Byzantine Empire.

For a thousand years this Byzantine Empire made itself the bulwark of Greek and Christian civilization against the hordes of Asia. When this empire fell in 1453, after being treacherously abandoned by the whole of Europe, the whole world awoke to the danger threatening it from the East. With the fall of Constantinople Greek culture became the common possession of Europe. The Reformation, followed by the discovery of printing, made the treasures of Greek philosophy and Christian literature accessible to all, and this spiritual movement, crowned by the discovery of America, gave the whole world the new aspect, which, with some slight variations, is continuing to our day.

Greece was the victim sacrificed on the altar of Christianity and Civilization. But for five hundred years the civilized world took little interest in the fortunes and the never-ending

struggles of this gallant people of the Near East.

Thus we come again to the main purpose of our story, which is to explain the present Greek campaign in Asia Minor. That campaign is simply a continuation of the same old struggle between a highly civilized people and a barbarian invader, who after five hundred years has remained as much a stranger to the culture, the morality and the ideals of Greek-Christian civilization as he was when he first came to oppress Europe ten centuries ago.

The Greek today cannot reconcile himself with the idea that he is to continue to live under the shadow of Turkish domination. A nation which refused subjection to the Turk when the Turk was in the prime of his power will not suffer itself to be placed now at the mercy of so backward and so barbarous an alien element.

When it becomes more widely understood that Asia Minor, or, rather, the westernmost part of Asia Minor, along the Black Sea, is nothing less than a portion of Greek territory held by a foreign oppressor; when it becomes known that the presence of the Turk there dates only from the fall of Constantinople, while the Greek was there long before the fall of Troy; when the world realizes that the millions of Greeks in Asia Minor, suffering through long centuries, have never given up the thought of ultimate liberation, then and only then will it be understood why the present struggle can never end until the Turk shall have ceased to be the master in that land hallowed by the martyrdom of a noble people.

FIGHTING FOR GREEK CITIES

The Greek soldiers that are fighting for possession of Eski-Shehir know that this is the ancient Dorylaeum, while next to it stand the ruins of old Hierapolis, the hallowed city. But is not Angoria a city with a splendid Greek past, as is proved by its name and by the ruins surround-

ing it? Is not Smyrna the birthplace of Homer, and is it not on its ancient Acropolis that the tomb of the mythical Tantalus is shown to the present day? And Ephesus, excavated by Austrian scientists; and Priini, excavated by the Germans; and Pergamus and Militus—are these not all cities of immortal splendor, now once more open to the admiration of the world? And are not Laodicea and Tralles and Nicaea and Kyzikos and Nicomedia and Chaldea and Neokesareia and Elioupolis and Philadelphia proof enough that all over that territory it is the Greek who is at home, and not the invader?

The Turk has always known that the success of his political organization depended mainly on the good will of his Greek subjects, as is shown by the fact that there were times when he tried to win over the friendship of this race. Thus he allowed the religious organization of the Greeks to remain intact during all the long years of the Ottoman régime. The Sultan Mohamet II., who conquered Constantinople, was the first to inaugurate a policy of tolerance toward the Orthodox Church, his object being to win the predominating Greek element of his newly acquired empire by means of favors to the old State Church. The Greek accepted the favor, but refused to sell their birthright and their ideals; what they wanted was their freedom and a Government of their own, and this the Turk could not give without jeopardizing the entire fabric of the Empire.

The Turk gave position, wealth and standing to any Greek who would become a renegade; but such Greeks were few, and they soon found out that by rejecting Christianity and Hellenism in favor of Islam and Turanism they became wholeheartedly despised and hated by both elements.

Another reason why the Turk needed the Greek in the management of his empire was his utter incapacity to govern so highly developed an organism as the Byzantine empire was when it fell under the Ottomans. And it was the same reason that made the

Turk turn to Armenians and Arabs, to Syrians and Kurds, to Albanians and Jews in quest of helpers and advisors in the management of his imperial estate. But none of these elements accepted as a definitely established fact the domination of the Turk. Thus the struggle between the conqueror and the conquered has continued, until we are witnessing today the more or less complete emancipation of these racial elements.

INTOLERABLE PERSECUTIONS

That so many Greeks still remain under the Turks is due to the fact that they have always formed the predominant element in the region of Constantinople; and it is against these Greeks who have done so much toward undermining Turkish power that the Turks are aiming their last arrow.

It was against this uncompromising Greek element that the fury of the Turk was let loose after the second Balkan war. During that period the Greeks still living under the Sultan suffered persecutions for the like of which we have to go back at least a hundred years to the massacre of Chio.

Over 300,000 Greeks were violently deported from their homes between January, 1914, and the middle of 1917. Over 400,000 were deported, massacred, or otherwise injured from 1917 to the end of the war, at a time when the anti-Greek and anti-Armenian persecution reached its climax. And the bloody record of Turkish barbarism continued even after the armistice, until, according to estimates of the Greek Government and the Ecumenical Patriarchate, more than 730,000 Greek civilians were made to suffer at the hands of the Turkish authorities in the last seven years. That more than 500,000 of these victims have been massacred or died as the result of their sufferings is only a detail in the appalling record that is marking the last days of the Ottoman Empire.

I have before me a copy of the "Black Book of the Sufferings of the

Greek people in Turkey from the Armistice to the End of 1920." This pamphlet, published under the authority of the Ecumenical Patriarchate, and bearing the official seal of the double-headed Byzantine Eagle, ought to be in circulation in every civilized country.

Here we have a report of the Bishop of Amassia. A certain Ali Ghalib, Prefect of Tsarshamba, near Bafra, where some of the best Turkish tobacco comes from, completely annihilated the whole district, setting fire to it, and exiled to Castamoni all the male population between the ages of 14 and 90. The carrying away and raping of fifty girls and married women by the Turkish soldiery is one item of the tragic episode. Another is the hanging of 178 young men in the market place of Samsoun for no other reason than that they were Greeks. The destruction of 210 villages in that same diocese and the deportation and subsequent massacre of more than 70,000 Greek men, women and children are covered in a single paragraph of this most interesting and singularly plain narrative. Two hundred Greek schools destroyed, three hundred and fifty Greek churches plundered and smashed to pieces. What more does a nation need to go to war against the perpetrators of such deeds?

Thus the tragic report continues. Bishop after bishop and diocese after diocese send in their reports, covering hundreds of cases in hundreds of villages, all *after the armistice*. Amassia reports 228 killed, and Elioupolis 494, Philadelphia 230, and Chalcedon 610, Nicomedia 37, and Heraclea 54, Angora, 23, and Ephesus 35, Ancon 100, and Chaldia 24 * * * and so on in an endless story.

These reports cover only a very small part of what has happened in Turkey between the armistice and the end of 1920.

When one has the facts before him, as the Greek nation has them, one does not ask why Greece continues the war in Asia Minor. It is not a

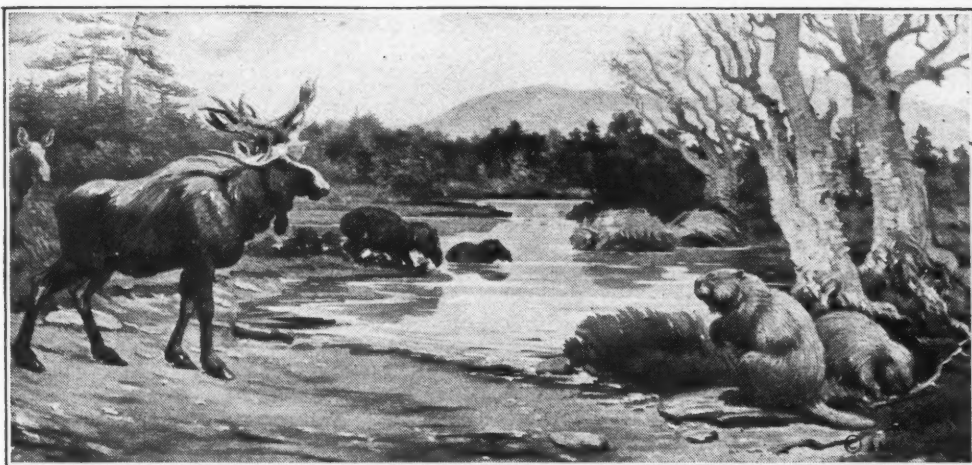
question of Greek imperialism, because it is not imperialism to demand what has always been yours. It is not a question for or against this or the other leader of the Greek nation, because personalities have nothing to do with this all-absorbing Greek problem.

Those who light-heartedly ask that Greece comply with the sober advice of her friends—or, rather, her supposed friends—and abandon Asia Minor after shaking hands with Turkey, not only betray a complete lack of understanding of the issue, but they also fail to see beyond their diplomatic monocles.

For Greece the maintenance of her army in Asia Minor until such time as her persecuted sons and daughters are freed from the Turkish yoke is not a question of national pride or of royal prestige. It is a question affecting the very life of more than 2,500,000 people who have the same history, the same religion, the same language and the same aspirations, and who help to make the totality of the Greek nation. These Asia Minor Greeks who for five long centuries have kept the faith, and never lost the hope of liberation, are entitled to their overdue freedom.

Unpopular as the war in Asia Minor may seem to many, it is the only way open to the Hellenic people in their struggle for national unity, for the preservation of their national life, and for the honor and the property of those Greeks who, after so many sacrifices and so many sufferings, were left unredeemed when the great war ended.

In her campaign Greece will welcome the help of all those who believe in the righteousness of her cause, and who wish to see the Greek and Christian civilization victorious in its ancient cradle. But, even should she be abandoned by the powerful and civilized peoples of the world, Greece, faithful to that ancient oath of the youth of Athens, will not shame her arms, and will defend her patrimony, whether with the help of the many or entirely alone.



(Photo American Museum of Natural History, New York)

EXTINCT ANIMALS HUNTED BY PREHISTORIC MAN, INCLUDING A GIANT MOOSE AND GIANT BEAVER. FROM A PAINTING BY CHARLES R. KNIGHT

THE QUEST FOR THE "MISSING LINK"

BY FRANK PARKER STOCKBRIDGE

Object of the expedition sent out by the American Museum of Natural History to explore the regions of Central Asia, believed to be the cradle of the human race—The "missing link" and the types of "sub-man" now extinct

WHEN and where lived the "Missing Link"? How shall we find conclusive evidence that will enable us to connect the species of animals to which we belong, and to which scientists have given the name of *Homo Sapiens* (Man of conscious thought, or knowledge), with earlier and more primitive forms of life? Who or what were the beings from which humanity sprang?

This was the problem that Charles Darwin, the English scientist, expounded to his startled contemporaries in the '70s of the nineteenth century, when he demonstrated his now generally accepted theory of the evolution of mankind from a long series of antecedent lower forms. Darwin's "*Descent of Man*" appeared on Feb. 24, 1871. On the fiftieth anniversary of this publication, almost to a day, viz., on Feb. 19, 1921, the

American Museum of Natural History sent out from San Francisco a scientific expedition to the Far East in an attempt to solve Darwin's riddle by discovering traces of the first human progenitors of the race. This expedition, headed by Roy Chapman Andrews, the explorer of the great desert of Gobi, at the time this article was written, was still outfitting at Peking preparatory to a five years' search in Central Asia for the fossil remains of primitive man on what scientists now incline to believe was the ground of his origin. This particular part of the whole investigation will be under the direction of Walter Granger, a distinguished paleontologist of the Museum's staff.

It is naturally impossible to predict the result of this well equipped, adequately financed search, with trained scientists at its head. They

may spend five years and come back empty handed. The laws of probability are all against any particular individual or group, working within a time limit, discovering anything so elusive as, let us say, the skeleton, or even the skull of any creature that can be identified as in any sense a progenitor of humankind. Human remains, doubtless, may be found in great numbers and variety. Here, above all, the words of Bryant are applicable:

Take the wings of the morning,
And traverse Barca's desert sands,
Or lose thyself in the continuous woods
Where rolls the Oregon, and hears no
 sound
Save its own murmurs, yet—the dead
 are there!

THE "RECENT" RECORDS

Dead men's bones a-plenty, dating as far back as the end of the Fourth Glacial Age, or somewhere from 25,000 to 50,000 years ago—these might be turned up almost anywhere, given time, money and will to dig for them. Europe's ancient caves have yielded many specimens of Neolithic man—that is to say, man of the New Stone Age—and Asia, Africa, America and Australia were inhabited by men of this period of development down to historic or even recent times; the North American Indians, most of them, had not progressed beyond the Neolithic stage when the first white settlers came.

Here and there, even, have been found remains, a few bones and many implements, of Paleolithic man—man of the Old Stone Age. These were human beings who inhabited this earth during the last glacial epoch. How long they had existed as human beings before that time when the polar ice cap thickened and spread, from year to year, under the influence of some great cosmic digression from the normal, we do not know. The record stops there; more properly we might say that the record of humanity, of man as we know man today, of *Homo Sapiens*, in short, *begins* under a sheet of ice more than

a mile thick that covered the northern part of our globe down to Southern England and Middle Germany in Europe, down to New York in America, probably 50,000 years ago and for perhaps ten, twenty or thirty thousand continuous years prior to that.

We do not even know what caused the glacial epochs, of which this latest was the fourth to leave its record graven in the rocks; it may have been the oscillation of the Poles, the same gradual shifting of the earth's position in space that astronomers tell us is still going on and that, in another 20,000 years or so, will make Vega instead of Polaris the "pole star." Perhaps there will come another glacial epoch; perhaps a hundred thousand years from now scientists will discover, under the detritus or glacial drift, rolled down from the flattened Rocky Mountains to the plains of Nebraska, fossil skulls, fragments of pottery and inscribed stones to prove that man lived in the period we call "now," and try in vain to link these poor relics with an earlier past! We do not know. We only know that any cause sufficient to reduce the mean annual temperature by only ten degrees on the Centigrade scale would surely bring on another glacial epoch, for then the reduced heat of the short arctic Summer would never be great enough to melt all the ice formed by the increased cold of the long arctic Winter, and year by year the ice would pile up at the Poles, and year by year slip toward the Equator, progressing perhaps only a foot a year, but relentlessly gaining that foot, until once more all the seats of civilization and centres of human life save those fringing the tropics would be buried under the same sort of rocks, gravels and sands as now overlie the earliest traces yet found of the human race. This we know, for what has just been suggested as a possibility of the future is a fact of the past, and of the not very distant past, as geological time is reckoned.

THE PREHISTORIC PERIOD

We have just swung the pendulum of imagination a hundred thousand years ahead; now let us swing it back half a million years or more. We must go back through the period that elapsed between the Third Glacial Epoch and the Fourth, a period that stretched, perhaps, from 150,000 B. C. down to 50,000 B. C.; back of that, back through the Second Glacial Period, that may easily have been as long ago as 400,000 years; then we must go back another 100,000 or 150,000 years, before the time when the earliest record was carved in the rocks by the drifting ice of the First Glacial Period. In every one of these ages or periods of geological time, if the geologists have read the riddle of the rocks aright, there lived upon earth beings like men, implement-using animals with skulls and skeletons similar to those of the human race.

And yet we do not know when human life began, nor where!

For these earlier forms, scientists now quite generally believe, are relics of a race or species today totally extinct; they are not our ancestors, any more than the apes and the monkeys are our ancestors. Who or what these were, the beings from which humanity of today, or much of it, *did* spring—that is the quest upon which Darwin set the world of science in 1871, and it is the quest upon which the Natural History Museum's expedition into Central Asia set out early in 1921.

In the short half-century between these two events the deepest-rooted beliefs of the civilized world have been overturned. Evolution is accepted as universally today by pulpit and public as it was rejected and ridiculed fifty years ago. It is no longer a "theory" to be argued against, but a definite, scientific fact, demonstrated a thousand times over in the case of plants and animals and, by analogy, in the case of man. But there is yet to be found tangible evidence of the existence of an earlier form of being than the

men who lived about the end of the last Glacial Age, say 50,000 years ago, a being of whom, or of which, it can be predicated, to the complete satisfaction of anthropologists, that it was the creature that came between man and his earliest progenitor, which, in turn, may well have been also the progenitor of the anthropoid apes and of the pre-human types that lived half a million years ago.

If the expedition of the American Museum of Natural History finds the remains of such a creature it will be the rarest of accidents. Much more probable, traces may be found of completely developed human beings of an older period than any we now know, for nowhere but in Europe and around the shores of the Mediterranean has extensive scientific research for such remains been made, and all the evidence these have yielded, as I have said, points to Central Asia as the common centre from which humanity came.

DARWIN'S THEORY

Darwin, in 1859, in publishing his great work, "The Origin of Species," predicted that "light would be thrown upon the origin of man and his history." In 1871, thirteen years later, his "Descent of Man" threw that light upon the human race, a light that has not only not been extinguished, but that has burned for half a century with ever-increasing brilliancy. As to the import of this revelation, Darwin expressed himself as follows:

It gives man a pedigree of prodigious length, but not, it may be said, of noble quality. The world, it has often been remarked, appears as if it had long been preparing for the advent of man; and this, in one sense, is strictly true, for he owes his birth to a long line of progenitors. If any single link in this chain had never existed man would not have been exactly what he is now. Unless we willfully close our eyes we may, with our present knowledge, approximately recognize our parentage; nor need we feel ashamed of it. The most humble organism is something much higher than the inorganic



PITHECANTHROPUS ERECTUS

The Ape-Man of Java, lowest known type of prehistoric man, whose antiquity is estimated at 500,000 years

(By permission, after McGregor's model in Museum of Natural History)

dust under our feet; and no one with an unbiased mind can study any living creature, however humble, without being struck with enthusiasm at its marvelous structure and properties.

To review here the truly marvelous reasoning, backed up by incontrovertible facts marshaled in tremendous array, by which Darwin traced the common origin of man and all other vertebrates to the lowest form of marine life, through the fishes and the amphibians to the land mammals, would be tedious and is unnecessary for the purpose of the moment. It is important to note his positiveness, as when he said, referring again to the conclusion that man is descended from some less highly organized form:

The grounds upon which this conclusion rests will never be shaken, for the close similarity between man and the lower animals rests on facts which cannot be disputed. * * * The great

principle of evolution stands up clear and firm. * * * It is incredible that all these facts should speak falsely. * * * Man is the co-descendant with other mammals of a common progenitor.

Two questions immediately stirred the thought of the world. "If these things are true, what becomes of the



PILTDOWN MAN

With some characteristics of the ape and some of man. Antiquity variously estimated at 100,000 to 300,000 years

(Restoration by McGregor, Museum of Natural History)

doctrine of the immortality of the soul?" was the first question and the one that pressed most urgently for an answer. "Where are the features that came between the ape and man?" was the second.

We can now, after fifty years, answer neither of these questions except as Darwin himself answered them: "I do not know." But the research that was already under headway when Darwin wrote, and that gained new impetus from the sudden rise of his theme into the commanding position of humanity's most important problem, has disclosed such a series of previously unknown facts as to strengthen immeasurably the beliefs that the "Descent of Man"

expressed, and to shatter forever a mass of belief and dogma that had been held to lie at the very foundations of the social order. We can sum up the facts as to man's origins as these have been disclosed in the last fifty years and state, with some reservations, the beliefs as to man's future held by scientific thought today, but we cannot produce the "missing link," nor demonstrate either the mortality or the immortality of the human soul.

THE FOSSIL REMAINS

A review of the half century's evolutionary research would begin with



NEANDERTHAL MAN

Type of man inhabiting Central France 25,000 to 40,000 years ago

(From a restoration by McGregor, Museum of Natural History)

the reconstruction—one of tremendous interest, though perhaps inconclusive to the unscientific mind—of the fossil remains of the extinct species that lived before the Fourth Glacial Period, and that resembled

man, yet was not man, as we use the term. It would concern itself, first of all, with the discovery in 1856 of part of the skull, two leg bones and a few other fragments of a presumably human skeleton in a glacial deposit in the Neander Valley in Germany; it would also consider the Piltdown skull found just before the war in a geological formation of the Thames Valley in England that must have been present *before* the last Ice Age, and it would take cognizance of about half a score of other specimens of manlike creatures having a geological age greater than that of the earliest known remains of true or modern man. For example, in the caverns of Spy, in Belgium, two skeletons precisely like the remains of the Neanderthal man were found; near Heidelberg a jawbone of a different type; at Trinil, in Java, in 1892, a leg bone, two teeth and the brain-cap of still another type were discovered.



CRO-MAGNON MAN

Highest type of prehistoric man, with great increase of brain power over earlier types. Antiquity about 25,000 years.

(By permission, after McGregor's model in Museum of Natural History)

These, with a few other relics obviously of the Neanderthal type, are all, apart from the evidences of the situations in which they were respectively found, and the remains of other animals and primitive tools or weapons found near them, that we possess to build upon for even a fragmentary picture of earlier human types.

The very lowest type of these is that represented by the Java remains, which scientists have refused to classify as of the genus *Homo*, and which they have defined as the *Pithecanthropus erectus*, or "ape-man who walked erect." Somewhere around the end of the time that geologists call the Pliocene Period, or in the beginning of the succeeding Pleistocene, this ape-man walked erect in the tropical forests of Java. Reduced to years, we may safely say that it was more than half a million years ago; it may have been fifty million years. Hailed at first as the "missing link" between humanity and that direct ancestor of man which Darwin described as "a hairy, tailed quadruped, probably arboreal in its habits, and an inhabitant of the Old World," scientists have now reached the conclusion that this creature was neither human nor sub-human; that he was the product of evolution in a direction that would not have led to the sort of human beings we are if the evolutionary process had not been terminated by the extinction of his species; in short, that it was but one of the millions of Nature's experimental failures, a few of which still survive in the monkeys and apes of today, which, it is probable, are themselves the product of evolutionary processes that began long after the strain that produced man had become established. It should not be forgotten that this evolution is continuous, that it is still going on, in man as in all other forms of life. From these very monkeys and apes of today, unchecked by outside influences, there may yet be evolved beings equal or superior to the men of today. But from the

weight of scientific evidence it is clear that we may drop the *Pithecanthropus* out of consideration when we go hunting for traces of humanity's ancestors.

Traces, indeed, we find scattered all through the geologic periods that

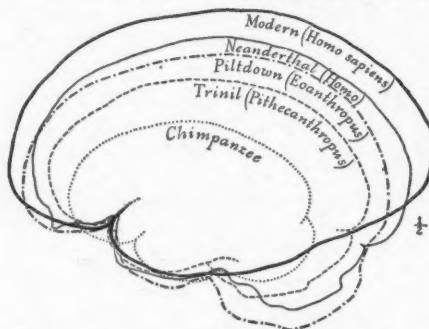


Diagram showing evolution of the brain, from pre-human to modern human form. Note early development of back of brain, as compared with late development of forehead, the seat of higher mental faculties

(From Osborn's "Men of the Old Stone Age")

overlie the time when the bearer of the Java skull stood erect among his crouching cousins. Down through half a million years or so some sort of creatures that *made and used stone implements* lived in many parts of the world, and we can study these implements, each with relation to the geological age of the rocks and gravel among which it was found, and note a steady development from the crudities of the earliest to the refinements of the later forms, and so reach some fairly definite conclusions as to the physical and mental development of the species of beings that made and used these things. And we know that we are dealing with a human type, with the genus *Homo*, in these conclusions and speculations, because the human animal is the only one that has ever acquired the ability to *make* implements. The higher apes may on occasion *use* implements—clubs, stones as missiles or for cracking the shells of cocoanuts or shellfish—but man alone *makes* either tools or weapons. We find still further proof that these implements were the work of a human-like being when we find

them associated with traces of fire in places and under conditions where the fire must have been deliberately kindled; for only human beings make or use fires.

But until we come down to the Third Interglacial Period—the age preceding the last Ice Age—we find no remains of these creatures themselves, if we except the Heidelberg skull, the precise geological period of which is subject to some question. Here, in the warm period that lasted perhaps 100,000 years and ended possibly as long ago as that, when the last great polar ice cap was formed, we find the Piltdown skull in England; and in the period simultaneous with the last era of ice and immediately following it, a possible 50,000 years ago, we find the Neanderthal man and his contemporaries, the men of Spy. Were either or both of these our progenitors? Scientific thought today tends strongly toward the rejection of this assumption.

THE NEANDERTHAL MEN

The Neanderthal men, Professor Henry Fairfield Osborn of the Museum of Natural History believes—and most, if not all paleontologists have reached the same conclusion—were merely another experiment in

evolution, an experiment that reached an immensely higher stage of development than poor Pithecanthropus ever attained, but that came to an end when the last of the Neanderthals perished, possibly in conflict with the first of the true men to invade Europe.

The preponderance of scientific weight, therefore, is behind the conclusion that in the Neanderthal man evolution produced not Homo Sapiens, but a different species of Homo; that these beings, like ourselves but of a different species, were almost but not quite human in our modern sense; sub-men, "gorilla-like monsters, with cunning brains, shambling gait, hairy bodies, strong teeth, and possibly cannibalistic tendencies," who, if the suggestion of Sir Harry Johnston be accepted, are the germ, through "dim racial remembrance," of the ogre in folklore; creatures of enormous muscular power, with almost no nose, no forehead, no chin, and a thick ridge of hair that may have grown down the back of the neck and along the spine in a mane that bristled or stood erect when they were enraged; it is more than probable that the whole body was covered with hair, thicker in Winter than in Summer, and almost concealing the brownish skin; doubtless, too, the males had heavy beards growing from lips, cheeks and throats.

Naked they roamed through the valleys of the Alps, across the wide plain that is now the bed of the North Sea, and so over the British Isles and Norway. The Glacial period probably drove them south. Small-brained, they could yet think and reason better than any of the apes, though they probably possessed no articulate speech. They used flint knives and wooden clubs as weapons. They knew the use of fire, in all probability, but used



THE WOOLLY RHINOCEROS, ONE OF THE ANIMALS HUNTED BY THE NEANDERTHAL MAN ABOUT 30,000 YEARS AGO

(By permission, from a painting by Charles R. Knight for the Museum of Natural History, New York)

it to keep off enemies, and continued to eat their food raw.

Before the last of these Neanderthal men had disappeared, Europe began to be invaded from the south, as the ice cap began to melt, by an entirely different type of man, the product of a different chain of evolution, the earliest specimen of *Homo Sapiens* of which we know anything at all, and which had reached, at least 25,000 years ago, a stage of development higher than that of many of the savage tribes now living. But science is still without evidence that will connect either these or the Neanderthal species of man, or the species of which the Piltdown skull is all we have to go by, with distinctly lower forms of life.

EVOLUTION AND RELIGION

We do know now, however—science has proved it conclusively—that Darwin's words, received with such skepticism when he wrote them fifty years ago, were true:

To believe that man was aboriginally civilized, and then suffered utter degradation in so many regions, is to take a pitifully low view of human nature. It is apparently a truer and more cheerful view that progress has been much more general than retrogression; that man has risen, though by slow and interrupted steps, from a lowly condition to the highest standard as yet attained by him in knowledge, morals and religion.

How shocking such a hypothesis seemed to the average thought of Darwin's day, rooted and grounded in the dicta and dogmas of the Hebraic-Christian religious teachings, it is impossible for any one of today to realize. Archbishop Usher's chronology, which gave the world a life of but 4,004 years before the birth of Jesus Christ, was but one of the least important of the rooted beliefs and convictions accepted by the whole civilized world as absolute truths that had to be thrown overboard if what Darwin wrote were true. The whole structure of religion seemed to be tottering. Darwin himself recognized this when he wrote:

He who believes in the advancement of man from some low organized form will naturally ask, how does this bear on the belief in the immortality of the soul? * * * Few persons feel any anxiety from the impossibility of determining at what precise period in the development of the individual, from the first trace of a minute germinal vesicle, man becomes an immortal being; and there is no greater cause of anxiety because the period cannot possibly be determined in the gradually ascending organic scale.

I am aware [he went on] that the conclusions arrived at in this work will be denounced by some as highly irreligious; but he who denounces them is bound to show why it is more irreligious to explain the origin of man as a distinct species by descent from some lower form, through the laws of variation and natural selection, than to explain the birth of the individual through the laws of ordinary reproduction. The birth both of the species and of the individual are equally part of that grand sequence of events which our minds refuse to accept as the result of blind chance. The understanding revolts at such a conclusion, whether or not we are able to believe that every slight variation of structure, the union of each pair in marriage, the dissemination of each seed, and other such events, have all been ordained for some special purpose.

And here we are, fifty years later, still seeking the link in the chain of evolution that connects our own species with primitive life-forms; still asking for proof of immortality. We may never find either. To say that either quest is futile would be foolish; to say that the discovery of either is essential to human progress or human happiness would be even more so.

Evolution goes on, slowly in the individual, with accelerating and almost breath-taking speed in the species. In the fifty years since Darwin wrote his "*Descent of Man*," doubtless not a single child born into the world has within his physical structure a single cell or combination of cells which in its formation and grouping is not precisely like those of a thousand of its direct ancestors, as far as the most powerful instruments of the biologist can determine; yet we know that there *are* differ-

ences, from generation to generation, and that in a million generations these divergences, so slight that, seen from any one point, they appear parallel, will have evolved a new and different kind of being from those of which the writer and his readers are individual specimens. But we know—we have the evidences all around us—that in the same fifty years since Darwin wrote the human species has made longer and swifter strides toward the goal of happiness and comfort for all of its component individuals, toward the conquest of its environment and the power over life and death that is, perhaps, man's nearest approach to Divinity, than in any five-hundred-year period of the past.

IMMORTALITY OF THE RACE

Perhaps the great fruit of the seed Darwin sowed is the concept, now gaining wide acceptance among biologists, that immortality, like evolution itself, is not individual but racial; that the organism destined to survive forever is the species, not the unit; that it only needs that all the dominant individuals of the human family should realize this for man to proceed with even greater speed toward the fulfillment of the millennial dreams that lie at the roots of all religious philosophies.

"The biologist says," remarks Vernon Kellogg, himself one of the foremost investigators in that field of knowledge, "if he is not a bigoted biologist, that he has no right to say, and will not say, that there cannot be a human spirit-life. He cannot authoritatively, and hence will not try

to, affirm that there cannot be human immortality. He simply remains agnostic. He does not know."

But hear him a little further. "If evolution is carrying man forward—and we do not doubt it—it is doing it in a different way. This way seems to be the way of social evolution, based on man's social inheritance and the biologic factor of mutual aid. * * * That means, in the ultimate analysis, that future man can be consciously determined by man today; that human evolution has been turned over to humankind itself to direct. What an opportunity, but, at the same time, what a responsibility! * * * The soundest of science leads us to the conclusion that man has in his own hands a great instrument for determining the fate of himself as a species, the future of mankind."

We may well rest here. Nothing that the Andrews expedition is likely to bring back from Asia can do much more than cement still more strongly man's intimate kinship with every other form of life. No new discoveries of man's origins can alter the fact that our race is, as the eminent French scientist, Mr. Boule, points out, one body with the world that carries it. We are the product of causes so remote, of the interplay of forces so prodigious, of actions and reactions so complex, that they may well be said to have constituted the chief and only important steps in the development of the earth itself, and to have had as their sole purpose, if we concede a purpose at all behind it, the creation of man out of the substance of earth itself by the process we call evolution.



MASTODON AND ROYAL BISON, ANIMALS OF THE OLD STONE AGE, AS RESTORED IN A PAINTING BY CHARLES R. KNIGHT OF THE MUSEUM OF NATURAL HISTORY, NEW YORK

THE JEWISH PROBLEM IN POLAND

BY JAMES JAY KANN

Late Treasurer of the American Relief Administration's Mission to Poland

A dispassionate view of both sides of the case, showing that Polish hatred of the Jews is due to an intense desire for national unity, to the Jews' unfair commercial methods and to their pro-German and pro-Bolshevist leanings—Possibilities of a solution

THERE have been many articles and statements written concerning Poland's Jewish problem, some of them for ulterior motives and others from sincere conviction, but for the greater part they have all been either pro-Polish or pro-Jewish in intent. In the following article I shall present the facts as I saw them, and in such a manner as will please neither the one extremest nor the other. It should not be forgotten that two parties to a bitter struggle have seldom a monopoly of righteousness on either side.

Since the report of the Morgenthau Commission it is almost unnecessary to waste space with a denial of the vivid and exaggerated stories of atrocities which have been disseminated for one reason or another, as the various allegations of this kind were fully investigated and properly disposed of by that body of men. During four months' residence in Poland, including visits to many parts of the country, I saw no such atrocities.

In approaching this problem from an unprejudiced viewpoint, it is necessary, first of all, to rid one's self of the misconception that it is a religious problem. The truth of the matter is that the basis of friction between the Poles and the Jews is not Judaism, but Polish nationalism, combined with an economic cause which is probably secondary in importance.

The Poles are a people of intense patriotism, which reaches a degree of almost fanatical fervor. The disintegration of their country and the major share of their political misfortune

have been due to the factional differences among themselves. After years of dismemberment Poland has finally been reunited, but the lessons of the past have taught them the value of cohesion, and reunion of the country in spirit and culture has become the goal of their ambitions.

The years of subjection to foreign Governments have left the particular imprint of each of the governing countries upon the portion of Poland under its rulership. These marks are not easy to eradicate. German Poland today is as different in many respects from Russian and Austrian Poland as one nationality of the same race of mankind is from another. To bring these dismembered parts together in a strong union is a task demanding the statesmanship and ability of a Bismarck.

WHY JEWS ARE HATED

When the intensity of desire for unification in a people is so inherent, any body of men opposing the fulfillment of this desire are naturally bound to incur hatred. Hatred is essentially based on fear, and it is fear that the Jews will thwart them in their national ambition that has brought forth the enmity of the Poles to as great a degree as their hatred for the Germans and the Russians.

Thanks to the protection of the Allies, for the moment Poland's fears from external aggression are allayed. All the more have they been concentrated upon the possibility of internal disruption. For, living among them, scattered throughout their country,

with the exception of the Duchy of Posnan (German Poland)—forming a large part of the population of the cities, the strategic points of the country's economic and political life—is a people not only of a different race, but claiming a different nationality.

The Jews who live today in Poland are mainly the immigrants of recent years who have come westward from Russia. These late arrivals, or *Littvacs*, as they are called, are the leaders of Jewish life, barring, of course, the small but highly cultured and intelligent group of Assimilators, who are completely disowned by the great mass of their co-religionists. These *Littvacs* are as orthodox in their belief and customs as were their forefathers generations ago. They stand stalwart in their resistance to any suggestion which will tend to modify their ghetto life. They are Jews, first, last and always, and they will not assume Polish nationality or Polish culture, whatever persecution may be brought to bear to make them conform to the will of the majority. Their language is a jargon called Yiddish. They will not speak Polish, though they teach Hebrew in their schools. Their lives are lived in that part of the city called the ghetto. Their schools, their social life and their interests centre around the synagogue.

Let the reader consider what his feelings would have been if he had learned during the World War that there were schools in this country wherein the pupils were taught the German language, or even what he would think today, were it discovered that there were institutions of learning solely employing a foreign tongue and not even demanding of their students the study of the English language. Certainly no more unfair treaty was ever signed than that which forced the Polish Government to permit the Jews resident within its domain to conduct schools of their own, using their own language. This interference in a strictly internal

question, which was prompted by the American Jewry, and to a lesser degree by the Jewry of other countries, will cause a lasting resentment, far outbalancing the good which might be accomplished by such a privilege. It constitutes a wound to national pride and dignity, which has brought forth a protest even from the Polish reformed Jews.

Is it not possible for us, who are confronted by the great problem of Americanization, and who comprehend so well the necessity of melting the various races and nationalities that come to our shores into a homogeneous body of American citizens, to understand the impossibility of permitting a people to live among the citizens of any nation, and yet not be of them.

THE JEWISH BLOC

The Jewish population of Poland is a small minority (5,000,000 out of a total of 30,000,000), and not integrally resident in one section of the country, but permeating the entire population. If the cardinal principle of republican government is that the minority shall conform to the will of the majority, it certainly does not befit us to preach to a sister republic the doctrine of allowing the minority not only all the rights enjoyed by the majority, but added privileges as well.

And this is what the Jews in Poland desire, and, to a certain extent, have theoretically gained. They have elected to the Polish Diet, members of the Jewish Nationalist Party, whose sole political efforts are devoted to safeguarding their own interests and securing further concessions. The mere fact that such a party exists proves to the Poles the complete lack of interest which the Jews have for the national welfare. No more striking evidence of the absolute separation of the Jew from his fellow-countrymen is his voluntary assumption of a distinctive appearance. He insistently wears a long black smock, a tight-fitting black cap, and high

black boots, which, coupled with his refusal to shave or cut his hair, marks him unavoidably for what he is, and permits him to present as unattractive a personal appearance as could be accomplished if prompted by intention.

To a foreign observer such determination is quite impossible of understanding. To the Pole it is unmistakably the badge of a secret fraternity conniving for the downfall and possession of his country. With equal determination, the Jews insist on crowding together in ghettos, where filth and disease cannot possibly be prevented. True, both the garb and the ghetto are the products of hundreds of years of oppression and compulsion, and it is perhaps fittingly ironical that the descendants of their oppressors should find these former means of subjection a source of discomfort and worry.

Offers of Polish citizenship and nationality hold no attraction to the Jew. He will have none of them, for he distrusts the Pole, and he has no interest in the wars, problems or prosperity of a country he will not call his own. To the great majority, the brilliant dream of Zionism is the only future worth having, and of a certainty, if all the Jews of Poland could be transported to Palestine the solution of the problem would be reached—for Poland.

The complete lack of patriotic and public spirit among the Jews cannot fairly be attributed to their absence of faith in the promises of the Poles that they will be granted full citizenship and political equality. For those Jews who have deserted the ghetto and given up their secular peculiarities, though still maintaining their independence of thought and religious belief, have prospered in their various occupations and professions. Some of the most prominent bankers, merchants, manufacturers and professional men of Poland are Jews, and the textile mills of the great manufacturing City of Lodz, the largest in-

dustrial metropolis of Poland, are owned for the greater part by capitalists of the Jewish race. These successful men have surrendered no more of their racial individualism than have the modernized Jews in any other country in the world, and the application to them of the name "Assimilators" should not mislead one into the fallacious belief that assimilation necessarily means a surrender of religious conviction. Of all the leaders of Polish life and thought with whom I discussed this problem, I never met one who expressed the hope that the Jews would desert their creed.

FOREIGN SYMPATHIES

The impression that the ambition of the Jews is anti-nationalistic is strengthened by the unfortunate preference of great numbers of them for the rulership of the Germans or the Russian Bolsheviki. Their leaning toward the Germans is explained by the fact that during the German occupation of Poland there was a strong and efficient Government, which provided greater security to person and property than does the present weak and recently organized administration of the Poles. The Germans, being administrators of an enemy country, had no more prejudice against the Jews than against the Poles, and it is also true that business was far better under their sovereignty than it is now.

Among the poor Jews—and the great majority of them are in a pitiable state of poverty—there is also a strong radical feeling, which tends to create a sympathy for Bolshevism, encouraged by the presence of many Jews in highly responsible official positions in the Russian Soviets. In Eastern Poland, where the battle with the Bolsheviki has been waged with such intensity, there are many alleged cases—founded on varying degrees of truthfulness—of connivance between the Jewish population and the attacking enemy. Were it to be

granted that these stories as an entirety are false, the fact would still remain that the Jews, by their passive attitude and lack of interest in the success of the Polish armies, have laid themselves open to the charge of anti-patriotic sympathies.

The rare instances of violence to the Jew arise from suspicion of his giving aid to the enemy, from indignation against his profiteering and usurious methods of business, or from crude desire to indulge in the practice of so-called Jew-baiting; the cases of Jew-baiting have been instigated almost entirely by Polish-American soldiers of General Haller's army, who are unaccustomed to the freakish appearance of the Jew, and find it provocative of an ignorant and brutal sense of humor. The failure of the Government to protect the Jews against such harm and humiliation is not due to any predetermined policy of the officials, but rather to the general weakness of the administrative system, which is equally powerless to prevent smuggling or graft.

We Americans, who possess one of the most efficient governments of the world, protect the person of our American negroes with such laxity that they are daily the unfortunate victims of mob license. Scarcely a morning passes that one does not read in the newspapers of the hanging of one or more negroes, and occasionally of their being burned alive. The number so put to death immeasurably exceeds the total number of Jews in Poland who have suffered physical violence of any kind at the hands of the populace.

THE ECONOMIC CAUSE

To understand the economic cause of the violent prejudice against the Jews, one must be conversant with present and past conditions of Poland. The Poles are divided into two classes, the aristocratic land-owners and peasants. The absence of a large and powerful bourgeoisie, such as exists in every modern country, is

a great weakness to the social structure. The organization of commerce on a scientific and respected basis is as yet in its infancy, and trade is, therefore, still conducted mainly in the old manner.

The Jews, inclined by heredity toward a mercantile life, having for centuries been forbidden the ownership of property, form the great class of merchants. Their business is run in a small bargaining fashion, undeniably lacking in the principles of fairness or equity, and the ignorant, naive Polish peasant is at their mercy for the securing of the goods he needs. Today, when instability is so universal in all material things, the peasant is at an even greater loss to determine whether or not he is being charged a fair value for the article he purchases. There can be no denial of the fact that the Jewish merchant is guilty of shameless profiteering, and also of the smuggling of forbidden goods, tempted by the large profits he can obtain for the sale of them. If the Polish Government is as yet unable to protect the peasant from such injustice, can it be surprising that in turn it is incapable of protecting the Jew from the occasional outbursts of anger aroused by his unfortunate occupation?

The anti-Semitic party does not wish for a better understanding between the Jews and the Poles, but strives to increase existing ill-feeling, to aggravate the unpleasant friction in every instance, and to fan the smoldering flames of prejudice into a conflagration before which the Jews will flee never to return. The historic example of the expulsion of the Jews from Spain teaches them no lesson in political shortsightedness. To them the Jew will never be anything but what he is today, and they will not grant the remotest possibility of his becoming an asset to the community. It is their conviction that material prosperity will only give the Jews the means to control the State to the exclusion of the Poles, and it is futile to point out

the examples of France, England and America, where the Jewish immigrant, granted equal opportunity and equal rights, has within the space of a generation or two become completely nationalized, and has developed into the finest type of patriotic citizen.

That the Polish Government permits the violent agitation and insidious propaganda of the anti-Semitic party to persist is greatly to be regretted, and it only serves to make a wise and practical solution of the racial problem more difficult. The widespread publication in newspapers and periodicals of articles preaching such prejudiced and untruthful doctrines causes indignant protest from many people in this country; but can we as a nation condemn the Polish Government for failure to suppress the printing of such matter when we tolerate Mr. Henry Ford's literary efforts in *The Fort Dearborn Independent*?

The first step toward solving the Jewish problem in Poland is for the radical parties on both sides to become reconciled to the fact that the Jews are a permanent part of the population of the country, and that their future destiny is identical with that of their fellow-countrymen. If they both cling to the idea of the eventual migration of the Jewish residents, no improvement in the existing conditions can be hoped for. But if the two extremists can be brought to acknowledge the impossibility and undesirability of their ambition, a great stride toward a basis of mutual co-operation will have been accomplished.

The Poles, on their side, must realize that prosperity breeds patriotism, and that a prosperous Jewish community will be loyally grateful to the State and will be an economical and political asset to the country. They must never forget that the Jew to a

great extent is the resultant product of centuries of oppression and persecution. They must endeavor to contradict the untruthful stories concerning the character and habits of the Jews, and to dissipate the feeling of prejudice. They must be convinced of the potential ability of the Jew to become a devoted patriot, and they should take the first step toward inducing the Jews to believe in their sincerity.

The Jews must be persuaded to forsake their secular peculiarities. They must be educated in the modern conception of religious practice, taught that devotion to State is as paramount as devotion to creed. They must also be taught that surrender of ghetto life and of its attendant habits and customs does not in any way imply diminution of religious devoutness. The true meaning of the word assimilation must be made clear to them, and they must be shown that if they accept the benefit of equal political and economic rights and privileges they must also assume the duties and obligations of national citizenship. They must seek in every possible way to show their Catholic neighbors that the sole difference between them, aside from one of blood, is that of a religious belief.

Peculiar as it may seem, the hope for a future solution of this problem depends on the outcome of the Russian situation. For Russia once more open to the world will provide Poland's Jewish merchants with an unrivaled opportunity for profitable trade. Let there be sufficient legitimate work for Jew and Gentile alike, and a great part of the discontent and ill feeling would subside. By a process of mutual concessions the leaders of both parties must adopt a program of rapprochement leading to a common goal, and thus strive to fuse the two races into a strong, united and progressive nation.

INTERNATIONAL CARTOONS OF CURRENT EVENTS

[American Cartoon]

THE ONLY WAY TO DISARM



—Tacoma News-Tribune.

[English Cartoon]

THOSE GERMAN WAR CRIMINALS



—London Opinion.

THE HUN (apropos of the Leipsic court's inadequate sentences): "But you can't expect a German to punish a German for behaving like a German!"

[American Cartoon]

"THEY COME DOWN TWO BY TWO"



—Los Angeles Times.

[German Cartoons]

The Entente Situation

—Wahre Jakob,
Stuttgart.The Entente
as Seen by
Germany

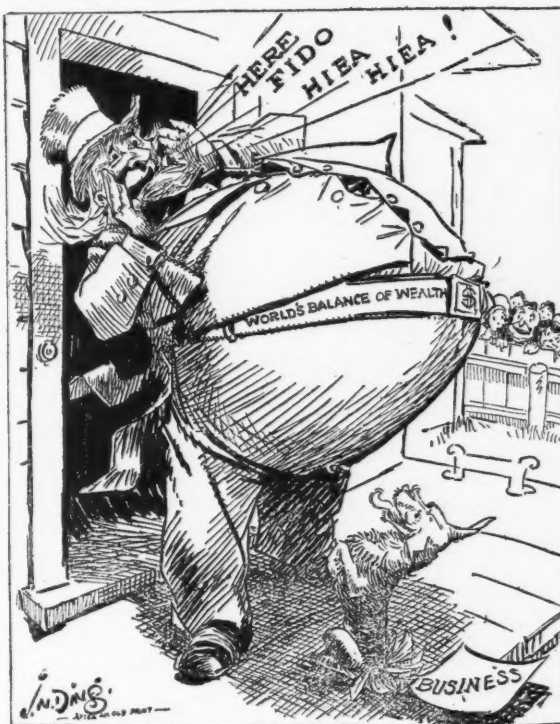
ENTENTE: "I
am getting old.
I wonder wheth-
er the paint will
hide the cracks
and wrinkles."

—Kladderadatsch,
Berlin.

[American Cartoon]

The Lost Dog

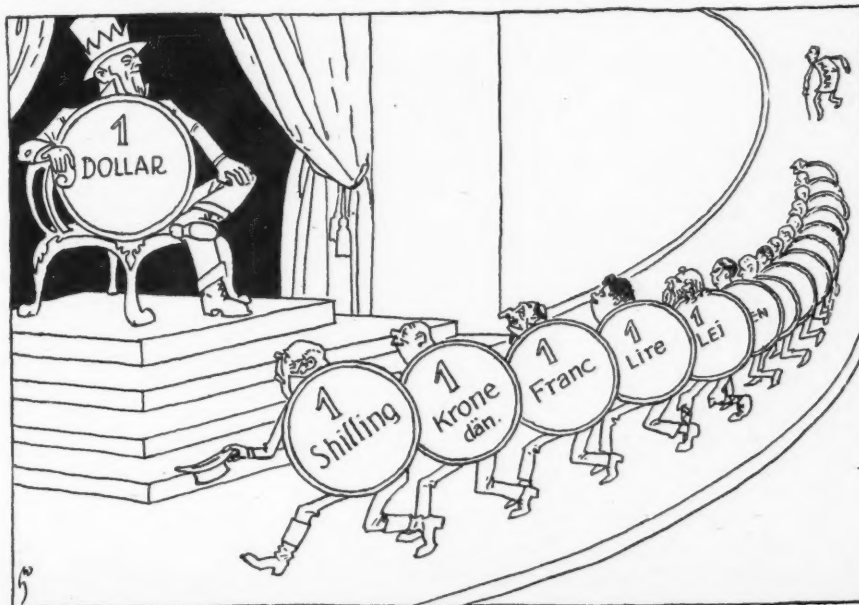
The United States has a greater amount of the world's wealth than any other nation. Gold has been pouring in to an extent that has aroused the apprehension of financiers. But, despite this surplus, business has continued to shrink and unemployment is prevalent in all industrial centres. Credit must be advanced to impoverished nations in order to make it possible for them to become again our customers.



© New York Tribune.

[German Cartoon]

THE PROCESSION BEFORE THE AMERICAN DOLLAR



—Naddoratsch, Berlin.

After Germany's
Acceptance of
the Ultimatum.

LLOYD GEORGE:
"Health! Here's to
Justice and Free-
dom!"

BRIAND: "Health!
Here's to Fraternity
and Humanity!"

[It is but natural
that the vanquished
should think the
terms of the victor
unbearable. Ger-
many protests
against what she
thinks the excessive
indemnities de-
manded by the Al-
lies. They on the
other hand point to
the reduction from
the original de-
mands as a proof of
their moderation.]

[German-Swiss Cartoon]



—Nebelspalter, Zurich.

[Polish Cartoon]



—Mucha, Warsaw.

Germany's Idea of Repara-
tion

GERMANY: "Perhaps I am
technically wrong, and I will
pay nominal damages—on con-
dition that I may retain Upper
Silesia."

[One of the things that irri-
tated the Allies, and among
other reasons caused the
brusque rejection of the Ger-
man reparation proposals at the
London Conference, was the in-
sistence that the payments pro-
posed should be conditioned on
the retention of Upper Silesia
by Germany. At that time the
plebiscite had not been taken.]

[American Cartoons]



—Ohio State Journal.

The Bolshevik Predicament

"If you're going anywhere, you have to have oars."

Having Consumed All the Golden Eggs—

[Lenin in his address at the Moscow Congress practically acknowledged that the Bolshevik experiment had proved a failure and that the only hope of restoring moribund Russia lay in concessions to capitalism.]



—Dallas News.

[Austrian Cartoons]



Briand's Triumph

For decades Germany will now have to work for France.

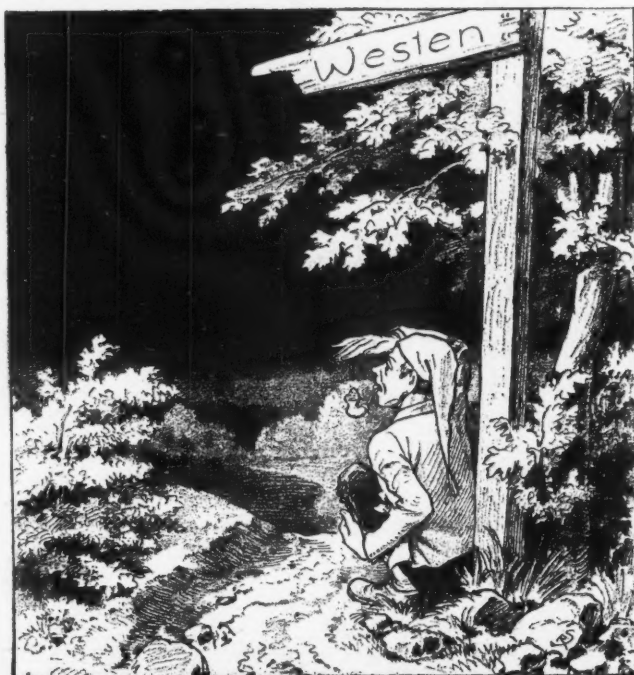
—Kikeriki, Vienna.

The reparation terms, which require Germany to pay \$35,000,000,000, are here typified by the magic ring of the Nibelungen, which, in the hands of Alberich the dwarf, (Briand,) makes slaves of all within reach of its power.

Waiting for
Help from the
Entente

AUSTRIA (gazing westward): "Hang it all, when will the sun rise again?"

The plight of Austria has been more severe than that of Germany, for, although her obligations are less, her resources have shrunk to the vanishing point. Help has been extended, however, by the Allies, and there is no disposition to press her beyond her ability to pay.



—Kikeriki, Vienna.

[American Cartoons]

WHY?

The increase of the Japanese Navy in number of vessels and in fighting strength is viewed, if not with deep concern, at least with a certain gravity on this side of the Pacific. The Japanese immigration problem and the mandate over Yap have not yet been settled, although it is hoped that these can be adjusted by diplomacy.



—New York Evening Mail.



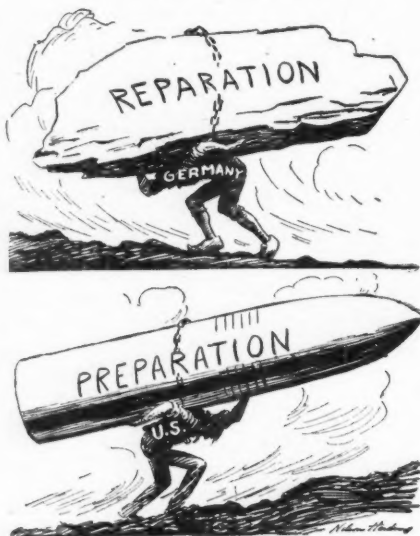
—Detroit News.

"And you laughed at Summer furs"

Although talk of disarmament is in the air, the nations still adhere to their naval programs. Taxes are staggering, not only in the United States, but in Great Britain and Japan. All profess to be willing to curtail warlike preparations, but none is willing to set the example.

[American Cartoons]

Victor and Vanquished.



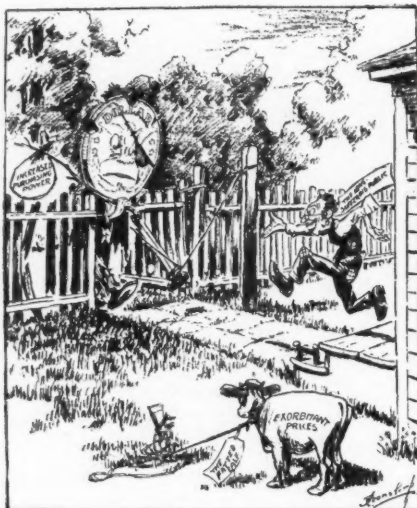
—Brooklyn Eagle.

Hurry up! It's getting heavy.



—Detroit News.

The Prodigal's Return



—San Francisco Chronicle.

About Face!



—Detroit News.

Cheering to the public is the fact that the American dollar, which at the peak of high prices was worth only 37 cents compared with pre-war values, is now worth 65 cents by the same standard.

The general reduction that has taken place in prices and wages has not yet been reflected to any marked extent in the charges for public utilities, which in many cases have advanced.

[American Cartoon]

"IT LOOKS FINE, BUT I CAN'T MAKE IT BREATHE"



—Dayton News.

[Dutch Cartoon]

LLOYD GEORGE'S SILESIAN SPEECH



—De Amsterdamer, Amsterdam.

J. BULL (to Poland): "Stop trying to climb in. Wait till we open the door."

Upper Silesia

The robber (Poland) and his lookout (France.)

The attempt of Poland to forestall the decision of the Supreme Council and to seize the disputed Upper Silesian territory by force of arms has ended in failure. The raid of Korfanty and his Polish irregulars irritated the British and Italians, who hinted that the French had been lukewarm in opposing it. Lloyd George declared that the Allies could not permit the "unruly children" of the treaty to "break crockery" in Europe.



—Kladderadatsch, Berlin.

[American Cartoon]

DANGEROUS BUSINESS



—New York Evening Mail.

The Sinn Fein agitation in Ireland has many sympathizers in the United States, and these have been active to an extent that might under certain conditions create tension between this country and Great Britain. A shipment of arms designed for the Sinn Fein was recently seized in New York.

[German Cartoon]

THE AMERICAN LIFE PRESERVER



—Kladderadatsch, Berlin.

"That life belt, after all, was made of thorns"

[Referring to America's refusal to recommend Germany's indemnity scheme to the Allies]

HOW TRADE UNIONS ARE RUINING BRITISH INDUSTRY

BY J. ELLIS BARKER

Startling facts and figures regarding the union policy of restricting output in mines and factories—Why British coal costs three times as much as American coal—Five English miners do only as much work as one American miner—Labor itself injured.

THE British trade unions are organizations which pursue simultaneously economic and political aims. The study of their activities in the economic field reveals the fact that they have inflicted the greatest injury upon England's industry and trade, and upon the nation as a whole. The uncritical defenders of British trade unionism tell us that, owing to the activities of the unions, British labor conditions have been greatly improved and British wages have risen considerably. It is true that during the last few decades British labor has been benefited by shorter hours, higher wages and the improvement of factories, houses, &c. However, it is a mistake to ascribe this advance to the trade unions. In the United States, where the power of trade unions is small, labor is far better off than in England, and the highest wages are paid in those industries, such as the United States Steel Corporation and the Ford works, where trade unions are not recognized. Labor conditions throughout the world have vastly improved in the last few decades, and the reason for that universal improvement is obvious. The remuneration of labor depends upon its productiveness. Improved machinery and organization have created that abundance of useful and necessary things which constitute prosperity. Labor organizations by themselves create nothing. The British trade unions, far from benefiting the workers by increasing the supply of goods, have restricted it to the utmost. They have kept the English workers in relative poverty by preventing the expansion of industries. They are principally responsible for the backwardness of industrial England, and for the economic stagnation of the country.

The industries of Great Britain are extraordinarily backward, if compared with those of the United States. England's in-

feriority is startling. The facts of the position are glaringly shown by a comparison of the British and American censuses of production. The only census of production taken in the United Kingdom refers to the year 1907. The American census of production nearest in date was taken in 1909. The two years are so close together that the results of the two investigations are fairly comparable. From these two documents we learn that in 1907-1909 British and American production compared as follows:

	Number of Workers.	Value of Products.
United States, private manufacturing indus- tries only, in 1909....	6,615,046	\$4,134,421,000
United Kingdom, indus- tries of all kinds, in- cluding the production of public utilities, such as gas and waterworks, &c., in 1907.....	6,019,746	1,617,340,000

It will be noticed that, taking the industries as a whole, production per worker was two and a half times as great in the United States as in the United Kingdom—that in 1907-1909 two average Americans produced as much as five Englishmen. This comparison is strictly fair. In both censuses wholesale prices formed the basis of calculation, and in 1907-1909 British and American wholesale prices for similar goods were approximately equal. Hence British and American wares competed freely in British, in American and in neutral markets. Since the time of the two censuses American production per worker has increased, while British production per worker has declined considerably. We may, therefore, safely estimate that production per worker is at least three times as great in the United States as in England. Under these circumstances we cannot wonder that American wages are from two to three

times as high as are British wages, and that, measured by their consumption, savings, &c., the American workers are from two to three times as well off as are the British workers.

In the industries taken as a whole, American production per worker is three times as great as is British production per worker. In the more efficient British industries, such as the cotton industry, America's advantage in production per worker is relatively small. In others, such as the iron and steel and engineering industries, which are very backward in England, America's superiority in output per worker is absolutely startling. In the British Government report on the engineering trade, which was published toward the end of the war, we read:

Nearly every employer who appeared before us had the same story to tell. While alleging that the British mechanic stands second to none of the mechanics of the world—that his skill, initiative, and adaptability enable him readily to cope with all engineering manufacturing difficulties—each employer in turn complained of two things. The first complaint was that the workman deliberately restricts his output below that which represents a reasonable day's work, and that this deliberate restriction does ultimately have a serious effect on his character and makes him physically incapable of producing a reasonable day's work, through habit which this restriction engenders.

The second complaint was that the restrictions imposed by trade union rules class as skilled work (a definition which can be determined by the rate of pay) that which is in fact unskilled work. These two points seem to include the main difficulties with which employers have to contend, and which present a most grave aspect if they are to continue after the war, in face of the great national problems which will then demand solution.

We are satisfied that both these allegations are founded on fact. * * *

The trade unions have, in the past, been very reluctant to admit piece rates. Indeed, even now, some of the unions forbid their members to accept piece rates where these have not previously been in force, and, where piece work has been started, the members are asked to discourage it as much as possible. It has also been evidenced to us that cases have occurred wherein, should the men earn more than time and a half, they have been fined by their unions. * * *

Experienced and authoritative foreign observers likewise have frequently ascribed the extraordinary stagnation of many

British industries, and especially of the iron and steel industry, which not so long ago dominated the world, to the fatal influence of the British trade unions and to their policy of restricting output. The final report of the American Industrial Commission of 1902 stated:

That the tendency of workingmen is to restrict the output of their labor within more or less definite limits, which they have come to consider right and just, is undeniable. * * * The trade unions of Great Britain, for instance, have always been relatively stronger than those of America, and at the same time the tendency to fix definite limitations to the performance of each workman has been stronger there. One standard contrast between industrial conditions in Great Britain and in the United States is the greater freedom of the American workman from restrictive rules. To it is often attributed, in a large degree, his greater activity and effectiveness. The alleged decline of British industry is often laid at the door of the unions, by reason of their limitation of the product of their members.

Judge Gary, the President of the United States Steel Corporation, which produces per year about twice as much iron and steel as the whole of the United Kingdom, stated before the United States Senate Committee on Education and Labor in October, 1919:

I think it is immoral for a small minority of men, organized, if you please, to compel by force a large majority to yield to their desires and to submit to their control. Because, if the industries of this country or any other were controlled by union labor it would mean decay, less production, higher cost; and this country could not succeed in its contest with other countries for the world's business—it would be in the condition that, I fear, England is in today, but which, I hope, it will come out of. * * *

Labor unions are practically in control of the industries in England today, I am inclined to think. I am afraid they are. And if they have control, I believe it is a very great hindrance to the progress, prosperity and happiness of England. Of course, I may be mistaken, but that is my belief. I think England is dealing not only with conditions of unrest, but with conditions which compel her to do things which are not the best things to be done. And I firmly believe, whether I am right or wrong, if labor unions had control of the industries of this country it would not only mean the closed shop, but it would mean the imposition and enforcement of conditions which would restrict output and increase cost and add to the expenses of living.

Previous to the war the production of iron was almost stagnant in Great Britain,

while it rapidly increased in Germany, as the following figures show:

Production of Iron:		
	In Germany.	In the United Kingdom.
1890.....	4,658,000 tons	8,033,000 tons
1913.....	19,292,000 tons	10,260,000 tons

Between 1890 and 1913 English iron production increased by 20 per cent., while German iron production increased by more than 300 per cent. In 1890 England produced almost twice as much iron as Germany, while in 1913 Germany produced almost twice as much iron as the United Kingdom. In steel the position had changed no less strikingly to England's disadvantage. Commenting upon the rapid expansion of the formerly insignificant German iron and steel industry, and upon the utter stagnation of the English iron and steel trade, which used to dominate the world, an authoritative German technical handbook, "Gemeinfassliche Darstellung des Eisenhüttenwesens," (Düsseldorf, 1912,) stated:

No land on earth is as favorably situated for iron production as is England. Extensive deposits of coal and iron, easy and cheap purchase of foreign raw materials, a favorable geographical position for selling its manufactures, reinforced by the great economic power of the State, made at one time the island kingdom industrially omnipotent throughout the world. Now complaints about constantly increasing foreign competition become from day to day more urgent. These are particularly loud with regard to the growing power of the German iron industry. * * *

The German trade unions, with their Socialist ideas, are opposed to progress. If their aspirations should succeed, the German iron industry would be ruined. An attempt on the part of the German trade unions to increase the earnings of the skilled workers by limiting the number of apprentices, the imitation of the policy which has been followed by the British trade unions, would produce a scarcity of skilled workers in Germany, as it has in England. The British iron industry should be to us Germans a warning example. The English trade unions, with their short-sighted championship of labor, with their notorious policy of "ca' canny," (the limitation of output), and with their hostility to technical improvements, have seriously shaken the powerful position of the British iron trade.

Owing to the restrictive policy pursued by the trade unions, the British industries have suffered severely. The great organizations of the workers have in many cases refused to employ improved labor-saving machinery, arguing that its use would

put men out of work. In other cases they have produced no more with the best modern machinery than with old and out-of-date machines previously used, thus discouraging employers from modernizing their plants.

The basis of England's wealth and power is the coal industry. A few decades ago Great Britain produced more coal than all the nations of the world combined. England was at that time the most efficient nation in the world, both in manufacturing and in mining. However, of late the coal output per man has rapidly declined in the United Kingdom, while it has equally rapidly increased in the United States and elsewhere. Since 1880 the following extraordinary change has taken place in England and in America:

COAL PRODUCED PER MAN PER DAY.

	United Kingdom.	United States.— (Bituminous). (Anthracite).	
	Tons.	Tons.	Tons.
1880....	1.33	...	...
1885....	1.28	...	...
1890....	1.08	2.56	1.85
1895....	1.18	2.90	2.07
1900....	1.10	2.98	2.40
1905....	1.08	3.24	2.18
1910....	1.00	3.46	2.17
1915....	0.98	3.91	2.19
1918....	0.80	3.78	2.20

During the years under consideration coal production per worker per day has very greatly increased in the United States, owing to the improved machinery and organization introduced into coal mining. In the same period British production per worker has disastrously declined, notwithstanding the extraordinary mechanical progress made. About 80 per cent. of the coal mined in the United States is bituminous. Comparison of the British and American statistics shows that production per worker is almost five times as large in the United States as in Great Britain—that one American miner produces as much coal as five British miners. The British miner works, as a rule, five shifts per week. It follows that an American miner produces approximately as much coal per day as his British colleague produces during an entire week. We can, therefore, not wonder that British coal is three times as dear as American coal, to the ruin of British trade and indus-

try, although the American miner receives higher wages than the British miner. The representatives of the British coal mining unions frequently assert that America's extraordinary superiority in output per worker is due to the possession of thick seams lying close to the surface. That is one of the reasons, but not the principal one. The extraordinarily low production per worker in England is due mainly to the restrictive policy pursued by the workers and by their hostility to labor-saving machinery. Before the Royal Commission on the Coal Industry an eminent engineer, Mr. Forster Brown, stated:

Mechanical appliances for coal cutting and getting are employed to a greater extent in America than in this country. * * * I think it is due to two main causes: Partly the physical conditions under which coal is worked in America are better, but also I am of opinion that American labor has grasped to a far greater extent than labor in this country has grasped the fact that the soundest route to improve its position and its employment is to get the maximum output per unit of labor employed compatible with health and safety, either by direct manual labor or the help of machines.

Before the same Commission Lord Gainford of Headlam, the eminent coal owner, complained:

The terms demanded by miners have frequently prevented and retarded fair trials being given to coal-cutting and labor-saving appliances which managers have been keen to introduce.

Coal-cutting machines are only used very little in Great Britain, as compared with the United States. In 1916 only 26,303,110 tons of coal were mined by machinery in the United Kingdom, and no less than 253,285,962 tons of coal were machine-cut in the United States. The fact that the British miners deliberately reduce output may be seen by comparing the British and the American record of coal produced per machine. In this respect the two countries compare as shown at top of the next column.

Output Per Coal-Cutting Machine.

	In the United Kingdom. Tons.	In the United States. Tons.
1903	8,158	10,457
1910	8,039	11,722
1916	7,601	15,638

Production per machine has rapidly increased in the United States and rapidly declined in the United Kingdom, and the result has been that, per machine, production was in 1916 twice as great in the United States as in the United Kingdom.

The defenders of the British mining unions habitually assert that natural conditions and the greater use of machines, which the British miners refuse to employ or deliberately prevent running at a reasonable speed, are solely responsible for America's extraordinary superiority in coal production per worker. That might possibly be true with regard to the bituminous mines, but cannot be correct with respect to the American anthracite mines. The United States has only a little anthracite. It occurs in a circumscribed area, and is found in seams which are so thin, irregular and broken that coal-cutting machinery cannot be used. Many of the American anthracite mines are exhausted, partly exhausted, or waterlogged. Nevertheless, the American anthracite miner produces per day almost three times as much as the British miner, who is aided by a good deal of machinery, as shown by the figures previously given. Even in the best-equipped pits of South Yorkshire, which have only recently been opened, and which exploit very thick seams, the British coal miner produces only about a ton of coal per day—less than half as much as the American anthracite miner, and one-fourth as much as the American bituminous miner.

In the course of his speech to the General meeting of Bolckow, Vaughan & Co., Limited, at Manchester, on Sept. 30, 1920, Sir J. E. Johnson Ferguson, Bt., the Chairman, gave the following figures, showing the fall in output and increased wages at the company's collieries:

	Men employed.	Total Wages. £	Average Wages Per Man. £ s. d.	Coal Raised. Tons.	Average Coal Output Per Man. Tons.	Wages Cost Per Ton. s. d.
Year ending June 30, 1914..	8,844	735,236	83 2 8	2,320,410	262.37	6 4
Year ending June 30, 1920..	9,487	1,589,036	167 10 0	1,616,233	170.36	19 7 ¾
Increase or decrease.....	+643	+853,800	+84 7 4	-704,177	-92.01	+13 3 ¾

Coal is the principal source of power used for industrial and commercial purposes, and it is at the same time the most important raw material of industry, especially in the iron and steel and engineering industries. We cannot wonder that British industry and commerce are stagnating, and that unemployment is unprecedented, in view of the fact that British coal costs three times as much as American coal. That disastrous handicap of England is due not so much to natural conditions as to the action of the misguided trade unions.

The harmful effect of restriction of output is unfortunately not limited to the British coal, iron and steel and engineering industries, but is general. Lord Askwith, who was Controller General of the Commercial, Labor and Statistical Department and Chairman of the Fair Wages Advisory Committee, and who has had an unrivaled experience of British labor, wrote in his book, "Industrial Problems and Disputes":

It would be useless to calculate how much talent and how many rising hopes have been dashed down in the atmosphere of insistence on time work, with its watchword, "Keep your time by the slowest," or in the absolute command of foremen or colleagues that the number of rivets, the tale of bricks, the lasting of boots, the cuts of clothes, or the output of articles of every kind must be kept within or below the rule of the shop.

A discharged soldier, who returned to work for a motor car firm at Birmingham, found that in turning cylinders he could do a job in forty-three minutes, and he maintained this speed for three weeks. The man was warned that the official time was seventy minutes. The warning being ignored, on Nov. 4 last the union stopped the shop until the man was moved to other work. The same kind of intervention seems to take place on most engineering work on which piece rates are paid.

In the collieries the restriction is exercised indirectly. If a miner exceeds a certain output per day, varying from four to seven tons, he finds himself delayed by the "shunt" men, who cut down his supply of tubs and props. In South Wales and Larnarkshire the output laid down is a fixed number of tubs per day, called a "stint," and if this were regularly exceeded the pit would be stopped to enforce it. The same applies to the docks. Recently a ship discharging grain in bulk in Birkenhead was stopped because the union considered 150 tons a day was an excessive rate, though the rate was laid down both in the ship's charter-party and the sale contract. The result is that the elevators are now running at 23 per cent. below full speed. In Cardiff and elsewhere carters are not now allowed

to load more than one tier on team wagons. On Nov. 10 last a team-lorry was stopped in Bute Street, Cardiff, by the union delegate, and the carter made to unload eight bags which were in a second tier. At Immingham a motor-lorry was stopped because it had a full six-ton load. The driver asked the delegate what the limit was, and he said: "I don't know, but you have got too much on there, anyhow."

The restriction is of special moment when we find it applied to house building. At Huddersfield, during the building of an extension, four men were stopped by their union for three days because they laid 480 bricks in a day of eight hours. A slater was warned at the same place because he fixed a gutter—a plumber's job—in order that he might get on with his own work. Instances might be multiplied indefinitely.

To the more enlightened trade unionists it is perfectly obvious that the policy of limiting output is bound to be disastrous to the workers themselves. G. N. Barnes, M. P., stated in *The Evening Standard* of July 9, 1920:

There is a fundamental error in the supposition that increased production leads to unemployment. The idea that less work for one man means more for another is entirely wrong. A worker who adopts the "ca' canny" policy is doing no good to himself or any other human being, and is simply paying homage to a stupid fetish which is a curse of the workshop.

First of all, the idea of more production, less employment, is entirely opposed to the facts as they have revealed themselves in the last generation. During that period there has been an ever-widening extension of production, and at the same time a steadily diminishing proportion of unemployment * * *

Increased production at the present time would have swift effect in lowering prices. The more clothes or boots that are produced the less chance has the profiteer for high prices. That, however, is but an incidental advantage. At the moment food is very high in cost, a dominant cause being that we are importing vast supplies from America without being able to send equivalent values in manufactured articles. The result is that the value of the sovereign in America has gone down * * * The policy of "ca' canny" is the policy of high prices for the necessities of every working-class household.

Mr. J. H. Thomas, M. P., stated at a gathering of railwaymen at Kentish Town, on March 15, 1921:

I want you to get clearly into your minds that in return for a fair day's pay you must do a fair day's work. Nothing is more vicious and more uneconomic or more calculated to react upon you than the assump-

tion that you are providing work for some one else by doing as little as you can.

The idea of men benefiting themselves by making their production scarce and dear is perfectly correct within limited scope. Diamonds owe their great value to their scarcity. If they were as common as paving stones no one would wear them as jewelry, and they would be worth no more than paving stones. If the makers of certain indispensable goods, such as boots or clothes, succeed in establishing an artificial scarcity value for their productions, they may be able to exploit the community for their personal benefit, but if all the workers in a country pursue the policy of making their goods scarce and dear, no one will be any better off, but all will suffer from the general shortage. That is, unfortunately, the position in Great Britain. Limitation of output, far from benefiting the British workers, is injuring them most seriously. Owing to their policy they suffer, in the first place, from a general scarcity and dearth of goods and from the high cost of living, which creates widespread dissatisfaction; in the second place, they suffer from widespread unemployment. The goods which the British workers turn out grudgingly at high prices and in totally insufficient quantities are produced in large quantities and at cheaper prices elsewhere. These more cheaply produced goods naturally undersell similar British goods, both in foreign markets and in the English home market, and the result is unemployment and poverty among the workers.

The medieval guilds were closed corporations. The members of every guild strove to keep the special kind of work in which they were engaged to their own members, and jealously prosecuted those guilds which endeavored to encroach upon their privileges. A maker of hats was not allowed to make caps, and a maker of caps was prohibited from making hats. Every locality had privileges of its own, and entrance into a guild was made exceedingly difficult. The result was that labor ceased to be fluid. Men who had lost their employment in an occupation, the productions of which were not in demand, could not engage in the making of other goods because of the jealousy of the established

unions, even if there was a great shortage of labor. The result was disastrous to the workers. Goods were made artificially scarce and dear, and unemployment became great and general.

The French Revolution of 1789 was principally due to economic causes. France swarmed with workers who could not find employment. The great Turgot endeavored to save the situation by freeing industry from its shackles. He prevailed upon the King to issue the celebrated Edict of 1776, which abolished the privileges of the guilds. Unfortunately, the power of the established interests was too great. The Edict was revoked. The sufferings of the people became ever greater. The Revolution broke out in 1789, and one of its first acts was the destruction of the ancient guilds, which aroused the jubilation of the people. The British trade unions are creating a state of affairs which resembles that of France before 1789. An unemployed worker, no matter how skilled, may not enter another trade which is short of workers. Some time ago a lengthy labor dispute occurred in the piano trade. The unemployed piano case makers wished to find work in the furniture factories, which suffered from an acute shortage of workers. However, they were turned away because the furniture workers meant to keep the making of furniture exclusively to themselves. The United Kingdom has been suffering severely through the shortage of houses. The number of workers in the building trades had declined between 1910 and 1920 to almost one-third, as shown by the following figures from the People's Year Book:

	1910.	1911.	1914.	1920.
Masons	73,012	52,188	34,381	19,310
Slaters	9,796	8,391	4,154	3,673
Plasterers ...	31,300	25,082	19,479	12,067
Joiners	265,000	208,995	126,345	108,199
Bricklayers ..	115,995	102,752	73,671	53,063
Totals	495,103	397,408	258,030	196,312

At the end of the war the demand for houses was unprecedented. The representatives of labor asserted that a million working class houses were wanted. Besides, hardly any painting and repairing had been done since 1914. At least 5,000,000 houses were in urgent need of painting, patching

and redecorating. Nevertheless, the building trade unions restricted their previously low output very greatly and refused to receive 50,000 ex-soldiers whom the Government had trained. The building trades could at the time have absorbed 200,000 unemployed workers, and the expansion would have vastly improved employment in other affiliated trades, such as furniture making, brick making, &c. Notwithstanding widespread unemployment and the most extraordinary shortage of bricklayers the building trade unions would not abandon their policy of short-sighted selfishness. George Barnes, M. P., who was General Secretary of the Amalgamated Society of Engineers for ten years, stated in the House of Commons on Feb. 16, during a debate on unemployment:

I say, and I say it with extreme regret, that you will get no better world until you have made a better use of the world you live in. Taking things as they are, there seem to be three causes for the present unemployment. The first is that the world has been disrupted by the war. * * *. The second cause of the present paralysis of industry is, I would suggest, the lack of confidence due to industrial disputes and conflicts within the past two or three years. I wonder if it is as fully appreciated as it should be that during the last twelve months 27,000,000 days have been lost by strikes, 27,000,000 days at a time when the world is starving for goods, and when every man should be doing his best to get the world on its legs again. * * *

We were told that there were 6,000 applicants for bricklayers. It is very well known that the number of bricklayers wanted is not merely 6,000 but 60,000. * * *. There are no bricklayers available, although, as is well known, there is work for hundreds of thousands of them if only they could be found. It is not right. I deplore the fact that there has been so little fellow feeling on the part of the bricklayers for the men who went to the war and fought on their behalf. Everything, in fact, was done to safeguard the interests of the men in the industry and to ensure that there should be no underpayment; yet nothing whatsoever has been done by the bricklayers to welcome these men as they deserve to be welcomed. * * *. We are not producing things in their right proportion.

Rigid trade unionism in England has destroyed the fundamental right of men to earn their living by the work of their hands. Starving men may accept charity, but they must not work at a trade which

is short of workers but which jealousy closes that trade to all outsiders in order to preserve for its members a profitable monopoly. That state of affairs cannot last.

During and especially after the war the British trade unions followed the policy of raising wages while keeping output low. From the official statistics we learn that in certain trades and industries the following wage advances were secured between 1915 and 1920:

	Workers Affected.	Weekly Advances in Wages.	Annual Amount.
1915....	3,470,000	£677,700	£35,240,400
1916....	3,593,000	637,000	33,124,000
1917....	5,029,000	2,307,000	119,964,000
1918....	5,998,000	2,988,000	155,376,000
1919....	6,160,000	2,432,000	126,464,000
1920....	7,600,000	4,693,000	244,036,000
Total			£714,204,400

The official table by no means covers the whole increase of wages. In the first place, millions of workers whose wages have been raised do not come under the purview of the department which looks after labor. In the second place the enormous increase in wages has been accompanied by a drastic reduction in working hours. Lastly, during the years for which figures are supplied a vast number of overtime hours at specially high rates were worked. During the years under review at least £1,000,000,000 were added to the yearly labor bill. We cannot, therefore, wonder that the prices of all British goods rose enormously, partly through the deliberate scarcity created by the trade unions, and partly through the huge addition made to the wages bill. Nevertheless, labor agitators have accused the capitalists, the profiteers, and have pilloried them because of the high cost of living for which the trade unions themselves are chiefly responsible.

The British trade unions have not only made all goods scarce and dear, thereby doing almost irremediable damage to the industries and commerce of the country and to the people as a whole, but they have destroyed the pride of the workers in their work by rewarding slackness and penalizing ability. In many industries payment by results has been abolished by trade union pressure, and time payment regardless of results has been introduced in its stead.

Moreover, the payment of unskilled workers has been raised to, or near to, that of highly skilled workers. Lastly, increase in payment is no longer the reward of ability, but is automatically acquired because the workers in many trades are paid in accordance with their age. For instance, in the perambulator and invalid carriage trade the following wages were fixed for male workers per week of forty-eight hours:

Workers 15 to 16 years old.....	20s. per week.
Workers 16 to 17 years old.....	26s. per week.
Workers 17 to 18 years old.....	33s. per week.
Workers 18 to 19 years old.....	40s. per week.
Workers 19 to 20 years old....	47s. per week.
Workers 20 to 21 years old.....	54s. per week.

Hundreds of similar wage rates could be given. Age, not ability, being rewarded by higher pay, we cannot wonder that both manufacturers and customers complain about shoddy work.

DEBTS OF FOREIGN GOVERNMENTS DUE TO THE UNITED STATES

AN official statement issued in July, 1921, gave the complete schedule of foreign debts due to the United States at that time as follows:

OBLIGATIONS HELD FOR ADVANCES UNDER LIBERTY BOND ACTS—INTEREST AT 6 PER CENT.

Country.	Amount.
Belgium	\$347,691,566.23
Cuba	9,025,500.00
Czechoslovakia	61,256,206.74
France	2,950,762,938.19
Great Britain	4,166,318,358.44
Greece	15,000,000.00
Italy	1,648,034,050.90
Liberia	26,000.00
Rumania	23,205,819.52
Russia	187,729,750.00
Serbia	26,175,139.22
Total	\$9,435,225,329.24

OBLIGATIONS RECEIVED FROM SECRETARY OF WAR AND SECRETARY OF NAVY ON ACCOUNT OF SALE OF SURPLUS WAR MATERIALS.

Country.	Principal Amount Payable.	Date of Maturity.
Belgium	\$19,000,000.00	Apr. 10, 1922
	8,392,097.57	Aug. 5, 1922
	196,483.57	Aug. 21, 1922

Total	\$27,388,581.14
Czechoslovakia	5,000,000.00 June 30, 1922
	5,000,000.00 June 30, 1923
	4,902,994.94 June 30, 1924
	2,464,950.38 Oct. 14, 1922
	1,291,903.85 Jan. 28, 1923
	1,962,145.37 June 30, 1925
Total	\$20,621,994.54
Estonia	5,000,000.00 June 30, 1922
	5,000,000.00 June 30, 1923
	2,213,377.88 June 30, 1924

Total	\$12,213,377.88
France	400,000,000.00 Aug. 1, 1929
Latvia	2,521,869.32 June 30, 1922
Lithuania	4,159,491.96 June 30, 1922
Poland	10,000,000.00 June 30, 1922
	10,000,000.00 June 30, 1923
	10,000,000.00 June 30, 1924
	10,000,000.00 June 30, 1924
	7,890,939.27 June 30, 1924
	5,536,867.71 Oct. 1, 1925
	3,941,803.61 Oct. 15, 1925
	2,266,709.66 Mar. 27, 1926

Total

Country.	Principal Amount Payable.	Date of Maturity.
Rumania	5,000,000.00	June 30, 1922
	5,000,000.00	June 30, 1923
	2,922,675.42	June 30, 1924
Total	\$12,922,675.42	
Russia	406,082.30	June 30, 1922
Serbs, Croats and Slovenes	5,000,000.00	June 30, 1922
	5,000,000.00	June 30, 1923
	10,000,000.00	June 30, 1924
	50,350.28	June 30, 1924
	281,205.51	Apr. 15, 1924
	4,646,465.20	June 30, 1925

Total

Grand total.....\$565,048,413.80

OBLIGATIONS HELD BY THE UNITED STATES GRAIN CORPORATION.

Country.	Principal Payable.	Date of Maturity.	Int., %
Armenia	\$3,931,505.34	June 30, 1921	5
Austria	24,055,708.92	Jan. 21, 1925	6
Czecho-slovakia ...	2,873,238.25	Jan. 1, 1925	6
Hungary	1,685,835.61	Jan. 1, 1925	6
Poland	24,353,590.97	June 30, 1921	6

Total\$56,899,879.09

OBLIGATIONS RECEIVED BY TREASURER FROM AMERICAN RELIEF ADMINISTRATION.

Country.	Principal Payable.	Date of Maturity.	Int., %
Armenia	\$8,028,412.15	June 30, 1921	5
Czecho-slovakia ...	6,428,089.19	June 30, 1923	5
Estonia	1,785,767.72	June 30, 1921	5
Finland	8,281,926.17	June 30, 1921	5
Latvia	2,610,417.82	June 30, 1921	5
Lithuania	822,136.07	June 30, 1921	5
Poland	51,671,749.36	June 30, 1923	5
Russia	4,465,465.07	June 30, 1921	5

Total\$84,093,963.55

The grand total of original obligations, as enumerated above, is \$10,084,367,706.59. To this is to be added the unpaid interest, which on July 1 aggregated in excess of \$1,000,000,000, making the entire obligation on July 1 in excess of \$11,100,000,000.

A bill has been introduced in Congress to empower the Secretary of the Treasury to fund these obligations at his option.

SWITZERLAND'S DISPUTE WITH FRANCE

BY M. E. DE GOURMOIS

[A Swiss citizen, formerly a student at the University of Neuchâtel, who did military service on the Swiss border during the war]

Story of the controversy caused by France's proposed abolishment of the "Free Zones" adjoining Geneva—How the treaty of Versailles has upset an age-old arrangement between the two countries—A storm of Swiss protests leads to new negotiations

NEGOTIATIONS begun at Berne, Switzerland, toward the end of April, 1921, have called attention to an unpleasant issue between France and Switzerland. The controversy has to do with the so-called "free zones" of Upper Savoy and Gex, on the Franco-Swiss frontier, adjoining Geneva. Both districts are French territory, but ever since feudal times they have been economically, and even, at certain periods, politically united with Geneva. The present status of affairs, under which Switzerland has all the advantages of trade and exchange, while French business interests are protesting, dates back to 1815 and the Treaty of Vienna, under which France agreed not to place its customs line on the frontier in the neighborhood of Geneva, but to leave certain "free zones."

This situation was left unquestioned until the end of the war with Germany, when the French Government, influenced by home business interests, caused to be inserted in the Versailles Treaty a clause (Article 435) which declared that the stipulations of the treaty of 1815 were no longer consistent with present conditions, and that it was desirable "for France and Switzerland to come to an agreement together, with a view to settling between themselves the status of these territories under such conditions as shall be considered suitable by both countries."

As Switzerland was not a member of the Peace Conference, and had no part in discussing and signing the treaty, this clause of Article 435 was tantamount only to a wish for negotiations, and could not in any way be considered as compulsory. On May 5, 1919, however, the Swiss Federal Council notified the Peace Conference that it was willing to comply with the wish expressed, but that it made all reservations

regarding the new status to be adopted, and that no modifications could be made in the present régime "until new arrangements had been agreed upon between France and Switzerland to regulate matters in the territory."

To understand why the Swiss Government was so cautious in the wording of this note, it is necessary to consider, behind the apparent simplicity of the phraseology of Article 435, the historical, geographical and economic questions involved.

A map of this small part of Europe, which is not as large as Greater New York, shows that Geneva, situated at the end of the lake of the same name, is the only important town of the whole region. One cannot help being struck by the fact that Geneva is the natural centre of the district, which is cut off from the main part of France by high mountains, the Jura to the west and the Savoyan Alps to the south, the only natural way of communication being the narrow break in the mountains which the Rhone River channels.

Passing over the feudal period, when this ground was a bone of contention between the overlords of the Houses of Savoy and Geneva, one notes that it was in the sixteenth century that the first mention of the "free zones" appeared. Geneva had seized the Pays de Gex, then a "fief" of the House of Savoy. The city, however, did not retain its conquest, but turned it over to King Henry IV. of France, on the guarantee that free trade and free communications between that district and Geneva should exist permanently. That district of Gex remained French until the second period of the French Revolution, when Geneva also was annexed to the French Republic (1798).

The district of Upper Savoy, on the other

hand, after having been conquered by the Republic of Berne, was subsequently turned back to the House of Savoy, and according to the Treaty of Saint Julien in 1603 the Duke of Savoy established a free zone in Upper Savoy and granted to the Republic of Geneva trading privileges. At the time of the Directory, Savoy was also annexed to France, so that the whole territory, now partly French and partly Swiss, which is limited by the mountains, was united and formed the "Departement du Léman" (another name for Lake Geneva), with Geneva as capital.

After the downfall of Napoleon, that arrangement, which seemed the only practical one, was broken again. Nobody at the Congress of Vienna (1815), or at the Congress of Paris (1814), seemed opposed to having the Districts of Gex and Upper Savoy (Chablais and Faucigny) united to Geneva. Only differences in religion between the town, which was Protestant, and the agricultural districts, which had remained Catholic, can be blamed for the failure of the desired fusion to take place.

The Congresses of Paris and Vienna were respectful, however, of the principle of the free zones which had been in existence for over two centuries, and, while incorporating the Canton of Geneva into the Swiss Confederation, both Congresses clearly specified that the customs lines of France and of the Kingdom of Sardinia would be placed behind the surrounding mountains. This decision is recorded as follows: In the last part of the third paragraph of the first article of the Treaty of Peace of Paris, Nov. 20, 1815: "The French customs line will be placed to the west of the Jura, so that the whole district of Gex shall be outside of that line." Again, in the last part of the second paragraph of the treaty between the King of Sardinia, the Swiss Confederation and the Canton of Geneva, Turin, March 16, 1816, " * * * also that the customs line be placed at least one league from the Swiss border and beyond the mountains mentioned in the said protocol."

The Treaty of Vienna, which is the complement of these two treaties, has created Switzerland as it is today, and is for that country the fundamental basis of its rights, freedom and constitution. It is perpetual in its dispositions regarding Switzerland, and was acknowledged as such by the Peace

Conference when the case of Swiss neutrality was submitted.

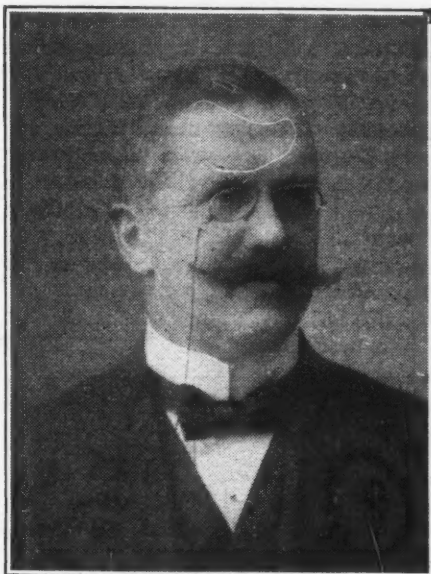
When Upper Savoy finally became French in 1860, as a result of a plebiscite, the Imperial French Government issued a proclamation confirming the existence of the free zone in that department, and recognizing the perpetual neutrality of Upper Savoy, thus endorsing the Treaty of Vienna in that respect.

The régime thus instituted has been a great factor in the prosperity of Geneva and the zones. Outside of the city, which has a population of about 130,000, the territory of the canton is very small, and by far inadequate to supply the town with the vegetables and dairy products it needs. The additional supply comes mostly from the free zones. The French people of these districts, before the World War, came to town to sell their products and to buy in the numerous stores of the city all the manufactured articles and wearing apparel they needed. The Savoyard was feeding the Genevois, and the Genevois was in turn clothing and entertaining the Savoyard.

The disturbances caused by the war have somewhat modified that picture. Passport regulations, the closing of the border, big differences in the exchanges, have hampered relations between Geneva and the free zones. The Savoyard is still selling his dairy and garden products in Geneva—the town needs them and pays a good price for them—but the Frenchman is no longer buying clothes and manufactured articles in the city. The exchange is prohibitive; he would have to give from two to three of his French francs for one Swiss franc's worth of goods, and so he now prefers to make his purchases in his own village or in some more remote French town. Stores in these districts have had a prosperous period, they do not feel any longer the competition of Geneva's merchants. They want to retain their clientele and fear that, when the exchange between France and Switzerland becomes normal again, they will lose their customers if the régime of the free zone is still in existence.

The business associations of these French territories, as well as the customs authorities of France, who have been losing an appreciable amount of taxes under the present status, have brought pressure on the French Government, asking it to cancel the

free zones. It is to be noted that the free zone privileges are not reciprocated by the Swiss authorities; while any kind of Swiss products can enter the French zones without paying duty, the Swiss customs are on the political border. The French food products would be liable to duty if there were



EDMUND SCHULTHESS
New President of Switzerland

any, and the French manufactured articles of the zones must pay the regular duties when entering Swiss territory. It thus appears that Geneva has every interest in the maintenance of the free zones, whereas opinion in France is divided; the farmers want the free zones, and the business men want the customs line at the political border.

One would expect that, as a consequence of the age-old friendship between France and Switzerland, particularly Geneva, the negotiations foreseen by Article 435 of the Treaty of Peace would have been conducted along amicable lines, and that a compromise would have been easily found. This has unfortunately not been the case, and the French note of May 18, 1919, in answer to the note from the Swiss Government mentioned at the beginning of this article, took the stand that Article 435 implied the opening of negotiations with a view to canceling the free zones. Such an interpretation was,

of course, utterly unacceptable to the Swiss Federal Council. Unsatisfactory negotiations have slowly proceeded ever since. On March 22 the French Government issued a note announcing that a law canceling the free zones was about to be introduced in the Chamber of Deputies and the French Senate; this note further stated that the French Government "could not contemplate submitting to a court of arbitration a question of sovereignty." Such a bill was actually introduced, but even before it was passed the Paris Government announced that the change would be made and the free zones abolished as from April 26.

This created a storm of protest in Switzerland, and France lost several of her best friends in the Swiss Confederation as a consequence of the issuance of that unfortunate note. Such newspapers as *Le Journal de Genève* and *La Gazette de Lausanne*, which had defended the cause of France during the war even beyond the safe limits of a strict neutrality, were for once in complete agreement with their colleagues of German Switzerland, and criticised sharply the attitude of France.

A question of principle was raised: Was France going to break the Treaty of Versailles on a minor point, and thus create a precedent which would be a powerful lever in the hands of the adversaries of that treaty, and perhaps induce Germany to evade some of her obligations? It was to the best interest of France that such a thing should not happen. As a consequence of the sharp criticisms uttered by the Swiss newspapers and a large portion of the French papers, among them the *Journal des Débats*, the question was reconsidered, and on May 20, 1921, the French Government sent a note to the Swiss Federal Council stating that France was prepared to reopen negotiations and was sending a delegation to Berne for that purpose.

The French and Swiss delegations began their sessions at Berne on May 27. The Swiss at the very outset issued a statement, addressed to the French delegates, in which they emphasized the conciliatory spirit with which, in accordance with their instructions, they were prepared to conduct the discussions, and implied that they were prepared to yield to the French desire to remove the customs line to the frontier. The statement, however, went on to say

that so vital a concession must be rewarded by suitable compensation, and that the provisions contained in the French project must be altered accordingly. The statement added:

In these circumstances the Swiss delegation must regard the French preliminary project merely as the starting point, reserving the right to formulate any proposals for its modification which may seem necessary, and possibly to present a draft convention of its own.

It is to be hoped that a solution by mutual agreement will be reached, as Switzerland undoubtedly has treaties and justice on her side when she says that no one-sided solution can be accepted. It has been suggested that the case be submitted to the League of Nations, or that a plebiscite be called for in the free zones. If, however,

both the French and Swiss delegates have the sincere desire to avoid complications and are ready to make the necessary concessions, a satisfactory solution can be found. France would then not be accused of having broken a treaty the fulfillment of which means everything to her.

In addition to the question of the free zones, the negotiations between France and Switzerland will have to include another point: the neutrality of Upper Savoy, which was established in 1815 for the benefit of Switzerland. The settlement of this question is, however, not likely to create complications, as the Swiss Government and Swiss public opinion seem to agree that the neutrality of Upper Savoy is a part of that status "which is no longer consistent with present conditions."

GEORGE WASHINGTON HONORED IN ENGLAND

HIGH honors were paid by England to the memory of George Washington in June. Sulgrave Manor, the ancestral home of the Washingtons, was rededicated on June 21, 1921, with elaborate ceremonies following its restoration, at a cost of \$50,000, to the form in which it existed three centuries ago. The exercises were arranged by the Sulgrave Institution, organized in 1912 to foster friendship between Great Britain and the United States; it was this organization which initiated the movement for restoration and conducted the necessary work from the first. Lord Mayors and other great dignitaries, robed in their most picturesque regalia, participated in the ceremonies. The exercises began with short services in the Sulgrave Parish Church, where lie buried Laurence Washington and his wife, with their eleven children, and were concluded on the lawn of the Manor House, where the Marquis of Cam-

bridge, brother of Queen Mary, delivered the principal address. Letters were read from Calvin Coolidge, Henry Cabot Lodge, Samuel Gompers and Charles W. Eliot.

A second ceremony was held in London on June 30. The bronze copy of Houdon's statue of George Washington—the original of which stands in the rotunda of the Capitol of Virginia, at Richmond—was unveiled at Trafalgar Square as the gift of Virginia to Great Britain. The unveiling was witnessed by a large and distinguished company, including Earl Curzon, Viscount Bryce and other notables, and the members of the Virginia delegation headed by Professor Henry Louis Smith, President of Washington and Lee University. The gift was accepted by Earl Curzon on behalf of the British Government. Friendship between Great Britain and the United States was emphasized. Ambassador Harvey was absent from both ceremonies.

[OFFICIAL]

THE POLISH LEGISLATURE AT WORK

BY PRESTON LOCKWOOD

THE Legislature of the Republic of Poland began its labors two years ago without any foundation of law and government on which to build. Elected on Jan. 26, 1919, the Legislature met for the first time on Feb. 10 of the same year. There was no Constitution, and no provisional organization of the country. The three parts of the new republic, formerly under the sway of Russia, Germany and Austria, respectively, sent Deputies to this Parliament so far as they were sufficiently free from the German and Ukrainian invaders to be able to hold elections.

The new Legislature, elected by all men and women of 21 years or more (between 90 and 100 per cent. of the voters went to the polls), faced four groups of problems:

1. The taking of immediate measures to cope with the prevailing conditions—starvation, epidemics, &c.—and to meet the need of organizing the defense of the country against Germans, Ukrainians and other invaders, including brigands.

2. The task of reconstructing a country devastated by Russians, Germans, Austro-Hungarians and Turks, more than, perhaps, any other European country.

3. The urgent obligation of realizing the century-old wishes of the Polish people to unite, to do away with the undemocratic laws of the countries which had governed Poland, and to reform the educational and social system quickly enough to satisfy the hopes of the population, whose nerves had been sorely tried by the war.

4. The universal need of Poland, as of all countries, to carry on the ordinary business of Government as smoothly as possible.

In every one of these directions, the Parliament, which has not yet finished its sittings, has made some progress, and though some of the laws may seem imperfect, and others have already been changed, there is reason to believe that the complexity of its problems and the way in which they have been met will be a matter of interest to the future historian, who will probably have no

reason to blame the Legislature for lack of wisdom or zeal.

In the first place, it was necessary to provide for the whole country a new Constitution. But, before that was enacted, the Legislature, though itself assuming the sovereign power, entrusted Joseph Pilsudski with the office of Chief of State and Commander in Chief of the armed forces, laying down rules as to his responsibility to the Diet, as well as that of the Cabinet appointed by him with the co-operation of the Legislature.

The Legislature had, of course, to adopt at once rules of its own procedure, and these, very liberal from the first, have been changed as need arose and experience dictated. The Constitution was finally adopted, as the result of a series of compromises between the main groups of the Legislature, on March 17, 1921, and it is believed that it is one of the most democratic and liberal Constitutions in the world. In the meantime, steps have been taken to co-ordinate the organization of the three parts of Poland by creating new territorial divisions and by giving these a reasonable measure of home rule. In some parts, particularly in what was formerly Russian Poland, there had been very little home rule; in others, mainly in Prussian Poland, the country was organized so as to give preponderance to the Germans over the Polish majority. In Austrian Poland the Government had been very undemocratic.

The Polish Legislature at once began to democratize the franchise and to introduce a unitary system of organization. It then proceeded to take up the matter of civil law, the law governing family relations, contracts, damages, real and personal property, &c. A commission was appointed to draw up a Polish system of law in place of the four systems actually prevailing. The necessity for this is obvious, for, at present, in what was the Austrian part, the Austrian Civil Code of 1811 is in force; in what was German Poland, the German Civil

Code of 1896 prevails; in what was formerly Russian Poland, around Warsaw (the Congress Kingdom), the Napoleonic Civil Code (as in Louisiana, South America, France and Belgium); and in other parts of late Russian Poland, the Russian civil law. The Commission of Codification, composed of leading professors, judges and practicing lawyers, has been holding frequent meetings and is working out a new legal code.

To meet the immediate needs of defense, many laws have had to be passed organizing the army and assuring its supplies. In this starved and overcrowded country, where over a million houses were destroyed during the war, and where practically no building is going on, because of its high cost, laws on billeting had to be passed, as well as laws devised to supply the army with food and other necessary articles. Similarly, there has been a need of laws protecting tenants against eviction by landlords. Evictions are today very rare. Also provision had to be made against the raising of rents.

All such legislative measures, conceived in the interest of the poor, have sometimes been so far reaching as to make property a burden, rather than a privilege. Laws had to be passed to provide for exceptional criminal proceedings in invaded or upset territories, but most of these enactments have now been abolished. It may safely be said that whenever a law restricting personal liberty was under consideration, the debates were very thorough and every possible angle was considered. The Polish people have submitted to these restrictions, though they believed some of them to be unreasonable. They are, however, very impatient to get rid of them, and since the signing of the Peace Treaty with Soviet Russia, the most burdensome restrictions have ceased to exist. Steps have been taken to improve the material situation of low-salaried Government officials.

Elementary instruction was at once made compulsory in the whole of Poland, and the Legislature gave an earnest of its determination to do away with illiteracy by making the situation of elementary school teachers particularly attractive, providing that teachers should be given land plots enabling them to raise vegetables and grain either for their own use or for purposes of sale. In an agricultural country, this is an

important endowment. Later on, a law was passed organizing on a liberal basis the universities and other academic schools. There are in Poland five universities, two polytechnic schools, a mining academy and an academy for veterinary science. The system of high schools was unified, and laws have been passed fixing in a liberal way the status and income of professors, teachers, judges and other public servants.

Poland has always represented an economic unity, although, for a time, it was artificially divided by political boundaries and unnatural customs barriers. Its reunion as an independent country makes for a revival of destroyed industries, and encourages the creation of new ones. It has large mineral deposits, but the main production of the country is still agricultural. Most of the land in Poland—from 60 to 70 per cent. of the surface—belongs in freehold to owners, whose shares do not exceed 200 acres, and are sometimes as small as a quarter of an acre. The remainder—from 30 to 40 per cent.—forms estates and belongs to the State, to various public and private corporations, and to private individuals.

Since the population of Poland is very dense (about 200 to the square mile), there is a strong demand for land. According to a decision of Parliament, made in 1919, and finally embodied in a statute of 1920, large estates are to be broken up, leaving a prescribed maximum for individual cultivation, the rest being sold in small plots. This "agrarian reform" has already assumed concrete shape, and some estates have been actually purchased from their owners.

The conquering Governments had imposed various disabilities on Poles for Polish patriotic activities. All these have been removed. Moreover, a special statute was passed granting amnesty even to persons who had offended against the military or political law and order of Poland.

Such is the bare outline of what the Polish Legislature has done in the first two years of its existence. Many of the ordinary problems of finance and administration also have been dealt with. It should be remembered that all these things have been accomplished despite invasions by Germans, Ukrainians, Bolsheviks and other neighbors. Only in the light of that fact can one realize how much energy and devotion the Legislature has given to its difficult task.

SANTO DOMINGO'S TITLE TO INDEPENDENCE

By H. P. KRIPPENE

The author of this fair-minded survey of the situation in Santo Domingo is a graduate of the University of Wisconsin, who served as an officer in the United States Army until the armistice. Since then he has been engaged in business in Santo Domingo. His statement of the mistakes of the American Military Administration and of the capacity of the Dominicans for self-government is written from the viewpoint of an observer who has lived among these people for several years.

THOUGH the Dominicans have always maintained that the American occupation of Santo Domingo was unjustifiable, it is probable that in the beginning the majority did not consider it an unfriendly act. Wearied with strife and starvation, in the throes of their last and most vicious revolution, they inwardly welcomed the arrival of the American forces that were to bring them peace and order. As a result of war conditions, Santo Domingo almost at once entered upon the greatest business era of her history, and the American Government, in the rôle of "big brother," had every prospect of creating an excellent and lasting impression. With the coming of peace and business and the promise of a program of construction, the Dominicans had impressive evidence that we were going to be their friend and benefactor; and we were launched upon a policy which would have done more to further friendly relations with the Latin-American republics than the costly balm recently accorded Colombia.

It is evident, after four years of military administration, that the great advantage we once held in this republic has been lost. The Dominicans now ask nothing more of us than "to get out." The good that the occupation has actually done has been lost sight of in a maze of maladministration and extravagance, and it is difficult to find many instances where we have shown the Dominicans a way to better government.

During the month of November, 1916, Admiral Knapp issued a proclamation stating that the occupation was undertaken with no immediate or ulterior object of destroying the sovereignty of Santo Domingo, but simply to assist the country to return to a condition of internal order which would enable it to assume again its obligations as

one of the family of nations. A few months later, however, the Dominican Government ceased to function, and the American Military Government assumed control. The latter at once began laying plans for the general improvement of the country. Roads were to be constructed; schools and hospitals were to be built; education was to be extended to the masses; land was to be surveyed, titles cleared and taxes levied: in short, it appeared that Santo Domingo was soon to rival Porto Rico and Cuba in all the higher works of progress.

THE ROAD-BUILDING FIASCO

In order to appreciate one of the difficulties which confronted the Military Government and one of the first great mistakes which it committed—viz., in respect to road building—a knowledge of the geographical complexion of Santo Domingo is necessary.

The Dominican Republic is more than five times the size of Porto Rico; yet its population is less than a million inhabitants. Most of the people are living in the six natural seaports, or in the outlying districts. This is due to various causes, the most important of which is that the interior is still wild and uncultivated. The republic is divided into a north and south watershed by a chain of mountains running east and west across the centre of the island. The capital, Santo Domingo City, is the largest outlet of the southern watershed, and Puerto Plata, lying almost directly north of the capital, a distance of about 130 miles, is the largest port on the northern slope. Almost directly back of Puerto Plata and in line with Santo Domingo City, is the largest inland city, Santiago, which lies in the most fertile agricultural region of the northern slope. San-

tiago occupies the same strategical position with relation to Puerto Plata on the north and the capital on the south that Chicago does to New York and to the West.

It can easily be seen that a thoroughfare connecting the capital and Puerto Plata, and passing through Santiago, would be of the utmost importance to the rapid development of the island; for the vast uncultivated interior, with Santiago as a centre, would then have both a northern and southern outlet, without considering the various eastern ports, also more or less in touch with Santiago. Before the occupation, considerable work had been done in enlarging the trails which still connect these cities, but a lack of funds had always been responsible for the failure of the Dominican road-building program.

An Obras Publicas, or Public Works organization, was established under the control of the Military Government, and work on these roads was begun. When one considers that the trails in many places of the interior are mudholes and swamps for the greater part of the year, and, where they cross the dividing range, difficult mountain passes, it would seem that the Military Government should have placed a contract with some experienced road-building firm, instead of endeavoring to handle this difficult undersanding itself. It has been stated that bids were solicited, but that they were all considered prohibitive. There can be no doubt that the Obras Publicas has proved the more expensive experiment, and the roads are not yet built. This body has been severely criticised by the Dominicans; and the criticism, on the whole, is just; for extravagance and incompetence are everywhere in evidence. Many of the men who made up the personnel were young, inexperienced engineers, and the men who had expert knowledge had gained their experience upon the thoroughfares of American cities. As a result, thousands of dollars were expended upon machinery and labor-saving devices, which, when put into operation on the jungle passes of the interior, were found impracticable and were left to rust. Millions of dollars have been expended by this branch of the Government, which has now stopped operations for lack of funds, and there is very little to show for it. Had these roads been completed, Santo Domingo would now be a new field

for the American automobile exporter. A great many cars have already appeared in the republic, though there is still little use for them, and a horse continues to be the only means of travel in the interior. Furthermore, thousands of acres of extremely fertile land would now be open to cultivation.

THE LAND TAX

The revenue of the republic has been derived in the past from customs receipts and from internal taxes. The latter are collected from licenses issued mainly to business houses for the privilege of operating. The Military Government at once proceeded to work out and levy a land tax. Very few Dominicans have ever questioned the value of a land tax, but they almost unanimously question its wisdom at this time. With thousands of acres of land in the interior unsurveyed, some of it very difficult to approach, and with much of it of uncertain ownership, they concur in the opinion that it has worked more injury than good. The natives were asked to acknowledge and assess their own land, a thing difficult in itself, not only because of the reasons mentioned, but also because undervaluation carried a penalty with it, and as many of the people feared the Military Government, some of them probably overvalued their land for the sake of security. In a pamphlet issued by one of the City Councils, they agreed that the land tax would be of great value to the Dominican Government; but they asked that it should not be put into operation for a period of from three to five years, so that landowners could prepare themselves to make intelligent returns. The tax, however, was put into operation at once, and it appears that the revenue derived from it did not reach expectations, for the Military Government immediately began an investigation of the reported valuations, and in most cases raised them. The land tax, however, will work one immediate result. Many of the politicians and land holders have held in the past large tracts of land to which they had little or no just claim. The tax will force some of them to open the lands to the public, for it will be impracticable to hold them idle and non-productive.

Though some schoolhouses have been built, the teachers are very poorly paid and

the schools poorly equipped; yet thousands of dollars have been spent on equipment bought at wartime prices and stored here for use. The crowning disappointment in the development of education came a few weeks ago, when the Military Government announced that the schools would be closed indefinitely because of lack of funds—and this despite our boast that the landmarks we leave are pre-eminently schools and education.

NO CIVIL GOVERNMENT

One of the most serious disappointments the people of this republic have experienced arises from the fact that no effort has been made to re-establish a civil government under American control. This work should have been begun some time ago, for there is no reason to assume that a military government is necessary in any country during times of peace. Conditions have been normal in the island for at least the last three years, so there has been ample time to hold an election under the supervision of the marines and to establish a civil government, which would now be working harmoniously with the American officials. Conditions, laws, and the people are so different in these Latin-American republics that the Americans can never succeed in governing a nation of this type by military rule. If these circumstances had been recognized, and the power to rule themselves under the guidance of the United States had been given the Dominicans at least two years ago, much of the criticism to which we are now subjected could have been avoided. If the Military Government had carried on without the earmarks of absolute military control; if it had given regularly to the public a statement of the expenditures of Dominican moneys; if it had taken the Dominicans into its confidence and told them more of its projects for improvements, it might not even have been necessary to establish a civil government.

The attitude of the American military authorities, on the whole, has been that of conquerors. They have made little effort to know the Dominicans, to learn their language or to understand their customs. They have been told that the Dominicans are lazy and immoral; that Dominicans can never learn to govern themselves; that they

are a worthless, shiftless people, incapable of reasoning or understanding: and the majority of the American officials, though there are some noteworthy exceptions, have accepted these statements as facts, and acted accordingly.

PROMISE OF THE FUTURE

The island of Santo Domingo requires only time and money to become the centre of the West Indies. With a climate which is mild but not enervating, a rich and virgin soil, and a degree of "personal liberty" no longer known in the States, Santo Domingo will of a certainty surpass Porto Rico as a sugar country and Cuba as a Summer resort. When highways have been built, when land has been cleared, and a stable government has been established, this island will assume a position second to none in the West Indies; and that time is not far distant.

In the eyes of the world, Santo Domingo has had a turbulent history. She has been called "the land of blood and revolution," but an examination of the facts proves that this charge is unfounded. It is true that progress has been retarded by the various revolutions, and that the present conditions are due mainly to the fact that the Treasury, in times of peace, found itself so depleted by past purchases of arms and ammunition that public works could not be financed on a large scale. The revolutions themselves, however, were usually more of a strategical than of a bloody nature. Victories were more often gained by a display of a superior military force than by a crushing attack. Civilians were seldom harmed, foreigners never. In fact, fighting was often stopped on both sides so that foreign business concerns could pass goods on to ports for shipment. The Dominican business men, however, now fully realize that revolutions are a serious detriment to business, and the country people know that fighting always means loss of stock and men, so it appears reasonable to believe that any future government established by the republic will show greater stability. Undoubtedly there is still need of American supervision, but the Dominicans are ready for a much greater degree of self-rule than they now have.

The retarding effects of instability are everywhere in evidence, but this country is

not a wilderness, as many Americans believe. The capital on the south is a flourishing city of 60,000 people, the centre of many beautiful homes; and the number of automobiles that can be seen on the streets discountenances the idea that the Dominicans are a shiftless people. La Romana, on the southeast, is a modern tropical town. Santiago is a commercial centre of great promise, and as soon as there are sufficient funds to lay the newly planned sewer system the streets will be widened and improved to equal those of any modern city in these latitudes. Many of the towns have electric light, waterworks and telephone systems.

Puerto Plata, on the north, is one of the most beautiful ports in the West Indies. Of an early morning, as one comes into an emerald harbor, with the sun rising from the ocean on the left, one sees the majestic outlines of Isabella del Torres rising in the background. In the depression between it and the sea the sparkling red roofs of the houses peep from the foliage of the royal palms. As the visitor leaves the wharf and walks up the clean white streets of the city he is impressed with the fact that he is not mingling with a "degenerate people." Squalidness and dirt and carelessness are everywhere in evidence, but these are not peculiar to Santo Domingo; they prevail more or less in all of these tropical islands. It is disappointing to note that many of the writers who visit Santo Domingo select only the flaws, while from the neighboring islands they take only the romance.

The greatest injustice has been done the Dominican people themselves. This may be due, in part, to the fact that many low-caste Haitians are always wandering through the country in search of work and that the critic making only a superficial examination considers them Dominicans. However, when the hostile critic says that the Dominican people are inferior to the Haitians he insults their race; when he says they are lazy and shiftless, he misrepresents their character; when he states that they are ignorant and puerile he minimizes their intelligence. The Dominicans are not, primarily, a black race, as is commonly believed, for they are descendants of the Spaniards who came here as conquerors, and of the Indians whom they

found living here. The Spaniards brought with them at a later period a number of slaves, and these, together with some of the Haitian immigrants, mixed their blood with that of the Dominicans, but to a much lesser degree than is ordinarily supposed.

In Santo Domingo, as in Mexico, there is no middle class. If this is detrimental to the country, it is difficult to see how it works a hardship. The educated class is made up of land owners, business men and politicians and as a whole it is a refined, cultured, progressive type. Many of its members have been educated in foreign schools and universities, have traveled more or less extensively and are cosmopolitan in ideas and customs. They read widely, discuss present-day problems with a keen insight and intelligence, and socially they carry themselves with a grace and refinement which prove them equal to the highest types of any nation.

The peasant class, on the other hand, is extremely poor and illiterate. Although the law requires children to go to school until they are 14 years of age, many families are forced by poverty to send their children to work at an early age. This implies a condition much worse than it actually is, for as a rule the people are well nourished, happy and contented. Living here is not a struggle as it is in a more highly developed country, and the majority of the poor people easily earn enough to buy their rice and beans and to supply their simple luxuries. They usually build their own "casitas," and plant enough to supply their wants throughout the year. They are quiet, peace loving and hospitable; a stranger never fails to find a welcome wherever he may stay. They cannot be considered progressive when compared with the working class of northern countries, but this is more or less true throughout the tropics.

The peons, as a whole, have favored the intervention, for it has enabled them to work in peace and preserve the fruits of their labor. They ask nothing more of any Government. This is their desire: "My cigarrillo (cigarette), a drop of rum when I wish it, and always peace to enjoy the great out-of-doors." An empty philosophy, we may think it, but it is possible that we may not be right.

THE AMERICAN EXIT FROM SANTO DOMINGO

Text of the Proclamation by which the United States pledges itself to withdraw its military forces from the island within eight months—Assurances by the Washington Government in response to Dominican protests

AFTER five years of military rule over Santo Domingo, culminating in extreme discontent among the Dominican people, the United States Government has at length pledged itself to withdraw all military forces within a period of eight months. The occupation of the island by United States Marines occurred on May 15, 1916; the proclamation issued by Admiral Robison in Santo Domingo City on June 14, 1921, implies that it will end in February, 1922, provided that certain essential conditions are fulfilled.

This proclamation is an effective answer to the many bitter complaints of Dominicans in regard to alleged abuses and maladministration. For many months the Dominicans have maintained a commission in the United States, headed by the deposed President, Dr. Francisco Henriquez y Carvajal, which has been indefatigable in presenting their case to the Government and people of the United States. President Harding's decision, embodied in the proclamation, represents a radical departure from the policy of his predecessor.

The proclamation itself, prepared by the State Department, and made public by Secretary Hughes, outlines a systematic plan for the withdrawal, which is to occur within eight months, the time deemed necessary for an orderly winding up of the Administration, and for the establishment of a native Government. All acts of the Military Government are to be validated, especially the final loan for \$2,500,000 now being raised in order to complete the public works still in process of construction, and the duties of the general receiver are to be extended, so as to afford a guarantee for the payment of this loan and the whole foreign debt. The primary elections are to be called within one month after the date of the proclamation, the Board of Electors to choose the necessary officials and magistrates, and the new President to be elected.

A Guardia Nacional, or Civil Guard, is to be constituted, and every assurance is to be given that the withdrawal will be followed by an era of peace and order. The proclamation calls on the Dominican people to give their helpful co-operation to the plans outlined.

TEXT OF THE PROCLAMATION

The proclamation issued on June 14 by Admiral Robison, recently appointed Military Governor to succeed Admiral Snowden, reads as follows:

Whereas, by proclamation of the Military Governor of Santo Domingo, dated Dec. 23, 1920, it was announced to the people of the Dominican Republic that the Government of the United States desired to inaugurate the simple processes of its rapid withdrawal from the responsibilities assumed in connection with Dominican affairs; and,

Whereas, it is necessary that a duly constituted Government of the Dominican Republic exist before this withdrawal of the United States may become effective, in order that the functions of government may be resumed by it in an orderly manner;

Now, therefore, I, S. S. Robison, Military Governor of Santo Domingo, acting under the authority and by direction of the Government of the United States, declare and announce to all concerned that the Government of the United States proposes to withdraw its military forces from the Dominican Republic in accordance with the steps set forth herein. It is the desire of the Government of the United States to assure itself before its withdrawal is accomplished that the independence and territorial integrity of the Dominican Republic, the maintenance of public order, and the security of life and property will be adequately safeguarded, and to turn over the administration of the Dominican Republic to a responsible Dominican Government, duly established in accordance with the existing Constitution and laws. To this end it calls upon the Dominican people to lend to it their helpful co-operation, with the hope that the withdrawal of the military forces of the United States may be completed, if such co-operation is extended in the manner hereinafter provided, within a period of eight months. The executive power

vested by the Dominican Constitution in the President of the Republic shall be exercised by the Military Governor of Santo Domingo until a duly elected proclaimed President of the Republic shall have taken office, and until a Convention of Evacuation shall have been signed by the President and confirmed by the Dominican Congress.

Within one month from the date of this proclamation the Military Governor will convene the primary assemblies to assemble thirty days after the date of the decree of convocation in conformity with Articles LXXXII. and LXXXIII. of the Constitution. These assemblies shall proceed to elect the electors as prescribed by Article LXXXIV. of the Constitution. In order that these elections may be held without disorder, and in order that the will of the Dominican people may be freely expressed, these elections will be held under the supervision of the authorities designated by the Military Governor.

The electoral colleges thus elected by the primary assemblies shall, in accordance with Article LXXXV. of the Constitution, proceed to elect Senators, Deputies and alternates for the latter, and to prepare for the Justices of the Supreme Court, of the Appellate Courts and the Tribunals and Courts of the First Instance, as prescribed by Article LXXXV. of the Constitution.

The Military Governor, performing the functions of Chief Executive, will then appoint, in accordance with Article LIII. of the Constitution, certain Dominican citizens as representatives of the republic to negotiate a Convention of Evacuation. In order that the enjoyment of individual rights may be insured, and in order that the peace and prosperity of the republic may be conserved, the said Convention of Evacuation shall contain the following provisions:

1. Ratification of all of the acts of the Military Government.

2. Validation of the final loan of \$2,500,000, which is the minimum loan required in order to complete the public works which are now in actual course of construction, and which can be completed during the period required for the withdrawal of the military occupation and are deemed essential to the success of the new Government of the republic, and to the well-being of the Dominican people.

3. Extension of the duties of the General Receiver of Dominican Customs, appointed under the convention of 1907, to apply to the said loan.

4. Extension of the powers of the General Receiver of Dominican Customs to the collection and disbursement of such portion of the internal revenues of the republic as may prove to be necessary, should the customs revenues at any time be insufficient to meet the service of the foreign debt of the republic.

5. The obligation on the part of the Dominican Government, in order to preserve peace, to afford adequate protection to life

and property, and to secure the proper discharge of all obligations of the Dominican Republic, to maintain an efficient Guardia Nacional, urban and rural, composed of native Dominicans. To this end, it shall also be agreed in said convention that the President of the Dominican Republic shall at once request the President of the United States to send a military mission to the Dominican Republic, charged with the duty of securing the competent organization of such Guardia Nacional; the Guardia Nacional to be officered by such Dominican officers as may be competent to undertake such service, and, for such time as may be found necessary to effect the desired organization, with American officers appointed by the President of the Dominican Republic upon the nomination of the President of the United States. The expense of said mission will be paid by the Dominican Republic, and the said mission will be invested by the executive of the Dominican Republic with proper and adequate authority to accomplish the purpose above stated.

The Military Governor will thereupon convene the Dominican Congress in extraordinary session to confirm the Convention of Evacuation referred to above.

The Military Governor will then assemble the electoral colleges for the purpose of electing a President of the Dominican Republic, in accordance with Article LXXXV. of the Constitution, and, simultaneously, officials other than the Senators and Deputies elected at the first convocation of the electoral colleges, will be installed in office.

The Dominican President so elected will then take office, in accordance with Article LI. of the Constitution, at the same time signing the Convention of Evacuation as confirmed by the Dominican Congress.

Upon this ratification of the Convention of Evacuation, assuming that through the cooperation of the people of the Dominican Republic a condition of peace and good order obtains, the Military Governor will transfer to the duly elected President of the Republic all of his powers, and the Military Government will cease, and thereupon the forces of the United States will be at once withdrawn.

The further assistance of the Advisory Commission appointed under the proclamation of Dec. 23, 1920, being no longer required, it is hereby dissolved, with the expression of the grateful appreciation of the Government of the United States of the self-sacrificing services of the patriotic citizens of the Dominican Republic of whom it has been composed.

WITHDRAWAL PLAN PROTESTED

It soon became evident that the Dominicans were opposed to the conditions of the withdrawal as laid down in the proclamation. Cable after cable was sent from the island republic to Señor Carvajal in Wash-

ington, one signed by the various newspapers of Santo Domingo City, exhorting him to "protest energetically against the proclamation before the State Department, the Senate and the American people." Similar messages were received from the Presidents and other officials of the "juntas" in other parts of the Dominican Republic. Other dispatches intimated that the popular storm was about to break in the form of a mass demonstration, to be staged in the capital. This demonstration occurred on June 20. An enormous throng gathered at a meeting, in which participated the Archbishop, members of the Supreme Court and the Faculties of the universities. Demand was voiced at the meeting that the offer of conditional withdrawal be refused. A letter embodying the protests and declaring that the Dominicans would assume no further obligations than the convention of 1907, providing for assistance by the United States in the collection and application of the customs revenues of the country, was handed to the Military Governor by the leaders of the demonstration.

Moved by these protests, the State Department instructed the American Legation at Santo Domingo to make public a supplementary statement, setting forth the exact meaning of the proclamation. The Government held that the terms of the withdrawal were extremely liberal, and that all the conditions laid down were necessary for the

best interests of the republic itself. In order, however, to put the minds of the protesters at rest on certain points, it issued this new statement on June 28. The main points clarified were: (1) The Dominican representatives to be empowered to negotiate the Convention of Evacuation will not be appointed by the United States, but by the Dominican Congress, as soon as that body shall be elected; these appointments will merely be ratified by the Military Governor. (2) The condition laid down in the proclamation providing that the Convention of Evacuation shall validate all the acts of the Military Governor was intended primarily to insure the recognition of the Dominican debt, including the loan now being negotiated, and in no way implied that the laws and regulations passed by the Military Government must continue without repeal by the new Government. (3) The proviso for extension of the powers of the general receiver was merely a further guarantee for the payment of the last loan. The statement added: "Financial conditions throughout the world are at present on such an unstable basis that it is necessary, in order to obtain funds at this time, to give additional guarantees to those which were demanded in the past. Should the customs revenues, as is anticipated, prove more than sufficient to meet the service of the public debt of the republic, this provision will never become operative."

NEW CANCER X-RAY IN LONDON

MME. CURIE, after a seven weeks' visit, left the United States for France on June 24, 1921, laden with honors and bearing with her the precious gram of radium which the women of the United States had presented to her. Before her departure she expressed her firm hope that cancer, that scourge of the race, would yet be vanquished by radium. At the very time of her departure, a London dispatch reported that the West London Hospital had installed a new X-ray treatment for cancer—one invented by the Bavarian physician, Dr. Wintz—and had already recorded remarkable results. A demonstration of this new process was given by the hospital on June 24. The apparatus, which cost \$10,000

to install, was attached to the outstretched arm of an upright standard machine, and projected over the patient's bed. The controlling switches were in an apartment shut off by a lead partition. A funneled base was lowered into close contact with the patient's body, and around it were spread leaded rubber wrappings. The rays worked invisibly, and there was no heat, no danger and no discomfort. The intensity of the rays, it was said, was such as had never before been available for practical work. The hospital authorities, on the basis of results already attained, stated it was their hope to effect cures in 80 per cent. of the cases treated, one condition being that the patient had undergone no previous operation.

THE RAPID INCREASE OF DIVORCE

BY GUSTAVUS MYERS

A survey of the phenomenal growth in the number of American marriages that end in shipwreck—A historical summary of the phases through which the movement has passed—Official figures on the subject for the last fifty years

AMERICA'S black spot is the divorce court; America's disease is divorce," said the Rev. Dr. Mark A. Matthews of Seattle, Wash., recently. Addressing a convention of the Episcopal Diocese of Long Island, on May 17, 1921, Bishop Frederick E. Burgess recounted how the fall of the Roman Empire was produced by the laxity and rottenness of the laws of marriage, and he commented, "This low standard of morality in Roman society would seem to be fast approaching in America."

These are only two of the many clergymen who have been trying to fix national attention upon what they consider our most serious social evil. The outcry against the enormously increasing divorce rate is not a sudden one, nor has it been confined to ministers. Many public men and women have uttered warnings of its growing enormity. In 1918 an important hearing on the subject was held by a committee of Congress, but the war absorbed public interest, and the facts and statements there produced received but little publicity. It was at that hearing that the Rev. (now Bishop) William T. Manning of Trinity Church, New York City, made this declaration:

The happiness, the safety, the well-being of our nation depend directly upon the stability and well-being of our home. Now, there is one menace more than any other threatening the life of that institution, and that is the appalling increase of divorces. The menace of that, the danger of that, to the life of our nation, I believe we all feel. * * * It was true recently, and I believe it is true today, that the number of divorces, the proportion of divorces to marriage, is greater in our country than in any other country in the world that calls itself civilized.

Are such expressions of alarm impelled by casual or exceptional conditions? Is the huge divorce rate in the United States chronic, or has it, as in some countries, been largely brought about by extraordinary war dislocations?

In England and Germany the Great War

is authoritatively represented to have been responsible for a great impetus to divorce. A recent dispatch from England said that the courts were overcrowded with divorce cases, a chief cause of which was the loneliness of women during the long absence of their husbands at the front. A cable from Berlin tells how Germany, not so long ago pluming herself as a country of solid domesticity, has become a land of divorce; statistics now show one divorce in every eight marriages, the majority of divorces being granted for breach of marriage vows. A judge of the leading divorce court in Berlin attributes the rush for divorces largely to war causes; he specifies how, during the war, there were many hasty marriages followed by the long separation demanded by army service; and how in the absence of husbands many wives living in a general atmosphere of wartime frivolity and immorality went recklessly to excesses. This judge verifies what many observers of German war methods suspected: that the unmorality of the German Government was accompanied by a widespread breakdown of private morality. Among other ways in which this manifested itself, the judge says, was in "the shocking lack of moral restraints and the trend toward pleasure and luxury" shown by many women.

Such an explanation may be largely true of European countries engaged in a long, desperate war tending to displace all normal standards. But can it be applied to the United States? Our participation in the war was brief, and neither our national nor our private life can be said to have been disarranged. Moreover, there is the striking fact that long before the war divorces were steadily, ominously increasing, and that the process has been continuing uninterruptedly.

To trace the growth of divorce in the United States it is necessary to go far back. Some investigators, and illustrious

ones at that, have, in their veneration of the past, been misled into thinking that divorce is a fairly modern American practice. Even Bancroft, the historian, wrote of New England: "Of divorce I have found no example." Bancroft was wholly mistaken. Had he carefully examined the records of the Massachusetts General Court during the Puritan régime he would have found that a number of divorces were granted, mainly for desertion and bigamy, and that in settlement and Colonial times some divorces were allowed in Connecticut and Rhode Island and others in New York.

In that era, however, and also for some decades after the Revolution, divorces were not numerous. European observers traveling in this country noted the remarkable sense of independence American women had, compared with European women. In many European countries divorces were forbidden or discouraged by church canons, and in such of those countries as allowed them, they were expensive to obtain. But in addition there was a state of mind on the part of European women in general which prevailed to a much less extent in America. So long as the husband did not complicate matters by desertion and non-support the European woman was inclined to overlook her spouse's lapses from virtue, and to a considerable degree this view is still evidenced in Europe. The American woman never tolerated this condoning. If poor and friendless, she would yield to the exigencies of the occasion and continue a union that she resented, for the one reason that there was no other course that she could follow. If well-to-do or rich, she would seek relief in separation. Divorce was then an unpleasant extreme because of the general standard of the times, which viewed it as disgraceful. Church influence also was strong, though not predominant, and its tendency was to regard sternly, even to the point of social ostracism, both those responsible for divorces and the divorcees themselves.

Two events, however, brought a great change in the attitude of many American women toward the problem of marriage and divorce. The entry of women into industry gave them opportunities for self-support; they were no longer wholly dependent, and had greater control over the question of whom and when they should marry. If,

when married, they had good cause for sundering the tie, they could often return to their industrial jobs. This, of course, was not conveniently practicable where there were young children, but, on the whole, the fact that many women had the opportunity to win their own living gave them a greater field of independent action.

IN THE "WOMAN'S RIGHTS" ERA

The second event was the movement for woman's rights. Manhood suffrage had been generally gained in the United States by 1828, by which time laws restricting the right to vote to propertied men had been abolished. Immediately thereafter came the movement to establish woman's political and social rights. One of the pioneers of this was Frances E. Wright, who, in 1829 and 1830, gave a series of lectures in many American cities. As in the case of many radical movements, this movement went to extremes of agitation. Miss Wright did not believe in marriage; she proposed free sex unions; urged that children be separated from their parents, and called for the establishment of State institutions in which the children were to be placed and reared. The American people were not at all receptive to any proposals for the disruption of family life, and, in fact, Miss Wright herself later virtually repudiated her earlier views by marrying. But underneath this movement there were ideas which increasingly appealed to many thinking American women.

One of these ideas was the right of women to have a direct voice in politics. Another was the control by women over their property and wages. Still another was the effacing of the double standard of morality. Miss Wright and other agitators pointed out that men were an inexcusably privileged class; that no matter what their moral transgressions were they retained standing, whereas when a woman committed an infraction the whole crushing weight of social proscription fell upon her. "Why this discrimination?" asked the woman's rights leaders of that day. They denounced it as thoroughly unjust and demanded its removal.

Intelligent men of the day realized that a new era was setting in, threatening the overthrow of "man's domination." A writer in the *Knickerbocker Magazine*, published

in New York City (issue for August, 1834), told, in a spirit of trepidation, how women were beginning to demand the vote; how colleges were beginning to admit them, and how they were on the point of achieving other rights hitherto held by men as exclusive privileges. "My nerves," he wrote, "already begin to tremble in view of the momentous revolution which the evidence I have presented seems to indicate. A war of rights is pending, and every man will soon have to come out in defense of his ancient prerogatives!"

In the following years the agitation to abolish negro slavery became increasingly the dominant issue, tending to obscure other questions. Still, the revolt of women against what they thought existing injustices went on energetically, for many of the leaders, such as Lucy Stone, were at the same time agitators against slavery and advocates of woman's rights.

In 1852 and 1853 there was another organized attempt—chiefly on the part of men radicals—to discredit the marriage institution and to substitute free love. In a notable debate then published in *The New York Tribune*, Henry James and Horace Greeley effectively exposed the free-love propaganda, although their points of attack differed.

Divorce statistics were then unknown; in all Government and State reports the subject was completely ignored. In fact, it was not until 1842 that Massachusetts—the first State to do so—established a general system of marriage and death statistics, and it did so only after urgent petitioning by the American Academy of Arts and Sciences and the Massachusetts Medical Society. But no provision was made by any official body anywhere in the United States until many years later for reporting divorces.

CONDITIONS SEVENTY YEARS AGO

Those who are inclined to disparage overmuch the state of our times may find matter for thought in Henry James's statement in 1852 that there was, undoubtedly, "a very enormous clandestine violation of the marriage bond; careful observers do not hesitate to say an unequaled violation of it." James's argument was that this arose from the difficulty of obtaining divorce, and that by freely legitimizing divorce—that is, by making it easy and inexpensive—this

immorality would be reduced. Greeley's opinion was strongly the opposite. He contended that if marriages could be contracted and dissolved at pleasure it would introduce a reckless facility and wild levity. His further comments present interesting facts as to forces then busily engaged in trying to discredit the established marriage institution.

If divorce on mere application were permitted, he wrote, the innocent would be sought in marriage by those who under strict marriage laws plotted ruin outside marriage. "How many have already fallen victim to the sophistry that the *ceremony* of marriage is of no importance—the *affection* being the essential matter? How many are every day exposed to this sophistry? * * * The free-trade sophistry respecting marriage is already on every libertine's tongue; it has overrun the whole country in the yellow-covered literature, which is as abundant as the frogs of Egypt and a great deal more pernicious. It is high time that the press, the pulpit and every other avenue to the public mind were alive to the subject, presenting, reiterating and enforcing the argument in favor of the sanctity, integrity and perpetuity of marriage."

What immediate influence the campaign against marriage had it is not possible to say. Evidently not much. It was the agitation making divorce an acceptable idea, and the demand for laws allowing a greater latitude in breaking matrimonial bonds, that then had the practical effect. There was a tendency on the part of legislators to relax the strictness of ancient laws concerning marriage and divorce. Even when these laws came, however, there was no importunate rush for divorces. An article on the subject in *The North American Review* for April, 1860, said that divorces were still rare.

It was after the Civil War that the doctrines for woman's emancipation began to show results. Such leaders as Victoria and Tennie C. Claflin demanded not merely the suffrage right for women but the complete enfranchisement of the sex. What they chiefly meant was that women should no longer be "man's chattel," but should be invested with full rights as human beings. But their views were often distorted, and they were made to appear as full-

fledged proponents of a free-love campaign. So unpopular was their campaign that they were ridiculed and ostracized; influential people of that time were not disposed to tolerate any views impairing the marriage relation. Both of the Claflins, it may be said, later married.

But the fashion of publicly making light of marriage began to spread. So-called comic papers having wide circulation and vaudeville shows abounded in jokes and alleged witticisms on marriage, while serious writers professing to have a mission wrote books and plays either openly or adroitly attacking and mocking marriage. A witness who had made a study of divorce testified before the House of Representatives Judiciary Committee in 1918 that one of the leading provocations of divorce had come from the writings of extreme radicals on the sex question. He instanced Ellen Key, Bernard Shaw and others "who write in all sorts of unreason their story screeds of heathenish devilment against the permanence of homes and against personal purity." If he meant to imply that such writings had more effect upon women than upon men he was entirely mistaken, for official statistics show that on an average twice as many—and often more than twice as many—divorces have been granted to the wife as to the husband; and although it is true that a greater percentage of divorces for adultery are granted to men than to women, yet this is a cause in which men have the evidential advantage. And he should have added, in justice to Ellen Key, that some years before he testified she had written an article virtually repudiating her former ideas and explaining that the originators of the woman's movement never imagined that the ideals they had in mind would degenerate to a low basis.

GOVERNMENT INVESTIGATIONS

By 1881 the divorce question had become such a scandal that the New England Divorce Reform League was organized by leading Protestants and Catholics. It was made a national organization in 1885, and its stated purpose was "to promote an improvement in public sentiment and legislation in the institution of the family, especially as affected by existing evils relating to marriage and divorce." It was at the solicitation of this body that the United States Government made its first investi-

gation of marriage and divorce. This report was issued in 1887-1888 by the Department of Labor and covered the years from 1867 to 1886. Another report was issued in 1906-7 by the Bureau of the Census, covering the twenty years from 1887 to 1906. In July, 1917, Congress provided the funds for another investigation from 1906 to 1916; unfortunately it was decided, because of war conditions, not to cover the previous years, but to limit the report to the year 1916.

From these three reports accurate figures are obtainable for the forty years from 1867 to 1906, and for the year 1916, while the figures for other years have been estimated by members of the International Committee on Marriage and Divorce. This, then, is the result:

DIVORCES IN THE UNITED STATES.

Year.	Number.
1861, estimated	7,114
1862-1866, estimated	42,979
1867-1870, counted	43,850
1871-1888, counted	949,746

Total for thirty-seven years.....1,043,689

The further progressive increase of divorce year by year since 1889 is here shown:

Year.	Number.	Year.	Number.
*1889	31,735	*1905	67,976
*1890	33,641	*1906	72,062
*1891	35,540	†1907	77,600
*1892	36,579	†1908	81,700
*1893	37,468	†1909	85,000
*1894	37,568	†1910	91,600
*1895	40,387	†1911	94,600
*1896	42,937	†1912	100,000
*1897	44,699	†1913	103,000
*1898	47,849	†1914	105,000
*1899	51,437	†1915	107,000
*1900	55,571	*1916	108,702
*1901	60,984	†1917	120,000
*1902	61,480	†1918	125,000
*1903	64,925	†1919	129,000
*1904	66,199	†1920	132,000

Total 1889-19202,349,419

*Counted. †Estimated.

Thus, from 1861 to 1920 there were granted in the United States a total of about 3,393,000 divorces. It is estimated that, as a result of these, there were perhaps 1,350,000 divorce orphans. The increase of divorce compared with population was, according to the 1916 Government report published in 1919:

Year.	Divorce Rate Per 100,000 Population.	Year.	Divorce Rate Per 100,000 Population.
1870	28	1900	73
1880	39	1906	84
1890	53	1916	112

In particular States the increase in divorces in 1916, as compared with 1906, was enormous. In Oregon it was 109 per cent., in New Jersey 120 per cent., in Idaho 150 per cent., in Arizona 186.4 per cent. and in California 207.4 per cent. Except in the District of Columbia and Colorado, South Dakota, West Virginia, Maine, Mississippi, Alabama and North Dakota the divorce rate for 1916 was higher than for 1906. Recent statistics privately gathered show a continuous increase in divorces. In New York City about 500 more divorces were granted in 1920 than in 1919. In Providence, R. I., 962 divorces were granted in 1920, as compared with 718 in 1919 and 556 in 1917. New Jersey and Pennsylvania report a great increase in divorces in recent years; in Pittsburgh there was a 25 per cent. increase in 1920 over 1919. In Detroit 3,715 divorces were granted in 1920, an increase of 700 over 1919. In Atlanta, Ga., 880 divorces were granted in 1920, as against 770 the previous year. Seattle has become a notable divorce centre, with nearly 2,500 cases a year. These are but a few examples of increases. Only a few cities, such as Baltimore, Toledo, Portland, Ore., and some others report decreases in divorces.

CHIEF GROUNDS OF DIVORCE

Government figures show that desertion is the principal ground of divorce, with cruelty second in the list; these two causes account for nearly two-thirds (65.1 per cent.) of all the divorces granted. Of divorces granted to the husband, desertion has been the cause in practically one-half the cases; adultery the cause in one-fifth, and cruelty in a little more than one-sixth of all cases. But of divorces granted to the wife, the most frequent cause has been cruelty, with desertion next. Divorces granted to the wife because of the husband's adultery constituted 7.5 per cent. of all the cases, as against 20.3 per cent. granted to the husband for the same cause. Drunkenness as a cause for divorce has been a minor factor. A little more than one-half of all divorced couples had no children.

Two generations ago there was a general although not invariable reluctance to label oneself as a divorced person; the idea was personally and socially repugnant, and a permanent stigma was supposed to attach itself to any seeking rupture of marriage

ties. But, according to Bishop Manning and others, a wholly different concept now largely prevails. In his testimony on causes of divorce, Bishop (then Rev. Dr.) Manning thus described the change:

Under our present system we have really reached the point under which marriage among our people is no longer a permanent contract. As things stand under our present law, it is a contract terminable almost at will.

Further than that, the present state of law has a worse influence. It tends to tempt people to procure divorces and produce situations in which they can procure divorces; and with numbers of people the marriage contract is entered into with that in mind. Divorce is made so easy that great numbers of people enter into the marriage contract with the thought of divorce already in mind, and they are in a state of mind under which on the most trivial grounds and for the most passing reasons they are prepared to break up the home and seek relief in the divorce courts.

Bishop Manning pointed out that another great evil was the practical effect of law in allowing the rich and well-to-do to create a domicile in whatever State it was easiest to get a divorce. This the poor could not do. He urged the need of laws applying equally to rich and poor and making it difficult to obtain divorces.

Bishop William H. Moreland of Sacramento has expressed the same thought as to a certain state of popular mind. "Our young people," he said, "knowing that the law permits a consecutive polygamy, enter the marriage state with the idea that if disappointment results they may break it off—and draw another ticket in the lottery." Bishop Moreland proposes that there should be a uniform divorce law, a ten days' notice of application for marriage licenses, and he urges the education of public opinion.

At present our forty-eight States have more than forty different codes of law on the subject of marriage and divorce. These codes allow a wide range of grounds for divorce, ranging from violation of the marriage vow to bad temper and religious belief. South Carolina has been the only State that has not recognized absolute divorce for any cause. Under the incongruous and conflicting divorce laws in operation many cases occur in which a couple, married in one State before the divorce decree allows it, are branded bigamists in another State.

Though the increase in the number of divorces in the United States has its disquieting aspects, it cannot justly be taken as a proof of a corresponding decline in morality. When it is recalled that in former times few people, whatever grounds they had for doing so, sought legal relief from marital unhappiness, the reflection upon the moral standards of our day becomes lessened. There is good evidence that previous to fifty or sixty years ago

there were abundant lapses from domestic virtue, but they did not culminate in legal action so as to leave public records of the fact. On the other hand, in more recent decades, it has been the almost invariable practice to apply to the courts for release. It is this fact which gives our age the appearance of having degenerated, when, if we make a real comparison with other times, present conditions are not so discreditable as they seem. ✓

THE STORY OF A HISTORIC HOAX

IN a London charity hospital on June 9, 1921, there died a man of 74 years who was registered as Louis Redman. This white-bearded old man, who died impoverished and forgotten, was no other than Louis de Rougemont, notorious twenty-three years ago as the perpetrator of one of the most colossal hoaxes of modern times. This French adventurer arrived in London at the beginning of March, 1898. He had worked his passage from New Zealand. Before many days he was telling an astonished and admiring world of his marvelous adventures in Australia.

De Rougemont's story was substantially as follows: He had been wrecked among the South Sea Islands in 1864. By a series of accidents he reached one of the most desolate places in Northern Australia, a spot where no white man had ever been. There he was captured by a cannibal tribe, among whom he lived for thirty years. By sheer force of personality he dominated the tribe, became the chief and married a native woman. Adventure after adventure followed; he rescued two white women from a fate worse than death, he had narrow escapes from crocodiles, he rode turtles, he refused a harem of proffered wives in favor of his "Wamba."

England was impressed. Popular magazines published his amazing adventures. De Rougemont lectured before the British Association. The French traveler became a personage. Fluent and ready witted, he underwent the ordeal of questions without losing his composure. Meanwhile, however, expert students had begun to find flaws in his "facts." One of the chief skeptics was an Australian, Louis Beck, author of books on the South Seas. De Rougemont's story, he declared, was a wonderful work of

imagination and nothing more. Some of its features, such as the "flying wambats," were grotesquely and obviously false. De Rougemont was called to the office of The Daily Chronicle, which describes the interview as follows:

He was a remarkable figure. Slight, gray-bearded, hair brushed up from a high, wrinkled forehead, wonderfully bright eyes under rather heavy lids, he was a man who would have been notable in any gathering. He was invited to tell his story, and he did so. Then came the cross-examination. It was conducted by a member of the staff, a barrister who had the subject at his fingers' ends. De Rougemont broke down. He became confused, burst out into a passionate asseveration of the truth of his story, then faltered miserably and refused to say more.

Meanwhile the paper had kept its Australian wires busy. M. H. Donahoe, a journalist in Australia, began a searching investigation of de Rougemont's movements and brought the truth to light. The man's real name was Henri Louis Grin. He was born of respectable parentage in the Canton Vaud, Switzerland. He began his career as courier to the English actress Fanny Kemble. In a like capacity he went to Australia, where he drifted about from one employment to another, and finally worked his way from New Zealand to England, where he enjoyed his short-lived fame.

Those who knew him declare that he was no vulgar adventurer. He told his amazing falsehoods with no desire of personal gain. The student of French literature recalls at once the famous Tartarin de Tarascon of Daudet, whose exaggerations were the effect of that "mental mirage" so often encountered in the South of France. The exact processes by which de Rougemont conceived his colossal hoax would furnish an interesting study to the psychologist.

AMERICAN CLAIMS AGAINST GERMANY

An official tabulation showing the claims and losses of American citizens against Germany—A total of \$221,000,000, exclusive of Shipping Board vessels

THE Secretary of State reported to the President of the United States on March 2, 1921, a summary of the claims of American citizens against Germany. The claims number 1,253, aggregating in amount \$221,-231,465.69, and, in addition, a total of 672,-618,713.46 Rumanian lei; this latter sum represents claims for military requisitions and damage to property of American citizens in Rumania at the time of the German invasion of that country in 1916. [The lei, the nominal value of which is 19.3 cents, is quoted now in New York exchange at about 1 2-3 cents.]

This amount does not include any claims of the United States Government for the loss of Shipping Board vessels, for the pay of soldiers in the army of occupation or any other strictly Government claims.

The report also shows that the American property located in Germany which was sequestered by the German Government aggregates in value \$190,000,000. To offset this the United States Alien Property Custodian has in his custody property of Germans sequestered during the war amounting to a total of \$400,000,000. In addition, the Shipping Board reported to the Hon. Tom Connolly, Congressman from Texas, under date of June 16, 1921, that it now holds 40 German ships of a total of 352,887 tons—16 cargo, 24 passenger vessels.

The official report of the State Department is as follows:

Statements of alleged losses and claims arising from loss of life.

	Number.	Amount.
Pre-war, mainly Lusitania claims	135	\$15,865,756.02
Belligerents	15	205,346.74
Total	150	\$16,071,102.76

Statements of alleged losses and claims arising from personal injuries.

	Number.	Amount.
Pre-war	46	\$1,761,316.41
Belligerent	40	634,237.23
Total	86	\$2,395,553.64

Statements of alleged losses and claims of private owners arising from the sinking of vessels.

	Number.	Amount.
Pre-war	11	\$6,604,487.96
Belligerent	89	23,807,276.17
Total	100	\$30,411,764.13

Insurance losses: Losses by American insurance companies or organizations (including the Bureau of War Risk Insurance), as reported to the department up to the present time, are as follows:

Pre-war	\$34,349,900
Belligerent	50,734,713
Total	\$85,084,613

The Treasury Department has notified the Department of State that it is desired to make claim to reimburse the Government of the United States for losses paid on business written by the Bureau of War Risk Insurance.

Among the heaviest pre-war losses of this character were those sustained by several American corporations which had valuable property interests in Rumania.

GENERAL LOSSES OF THE UNITED STATES GOVERNMENT.

Various items have been communicated to the department as losses sustained by the Government of the United States as a result of the war which are not included in the general summary of losses and claims as set forth above. These items may be briefly summarized as follows:

	Pre-war.	Belligerent.
Cargoes, United States Government owned		\$36,185,890
War vessels of United States Navy	12,958,394	
Armed vessels requisitioned as Naval auxiliaries.....	1,566,964	
Department of Labor expenses in caring for German officers and sailors.....	900,000	
Expenses of United States Navy re same.....	\$26,477	.....
War Department expenses in caring for prisoners of war in the United States.....	3,305,300	
Expenses Department of Justice in handling enemy aliens in United States.....	1,032,656	
United States Navy expenses in restoring damaged interned German ships.....	6,901,285	
United States Navy demurrage charges in re damaged German vessels	8,762,433	
Shipping Board expenses in repairing damaged German ships	8,584,942	
Relief and repatriation of submarined American seamen...	50,000	200,000
Total	\$76,477	\$80,457,864

Grand total, pre-war and belligerent\$80,534,341

Property belonging to many Americans was seized by the German Army at the outbreak of the war, both in Germany and in the countries invaded by the German Army. A great deal of valuable American property in Belgium was either seized for military purposes or damaged

or destroyed during the German occupation of Belgium. Much valuable American property available for war purposes, such as automobiles, machinery and supplies, was promptly taken by the German Army. American property in Northern France was also lost or damaged.

CLAIMS OF AMERICAN CITIZENS AGAINST GERMANY

Claims and losses which may be readily classified are herein set forth in summary, indicating the items into which the claims and losses may be conveniently classified, the number of claims which has been filed, the number which is prospective, and the amounts of the claims and the alleged losses.

Summary of losses—statement of alleged losses or communications indicating intention of filing claims (without accompanying proof).

	Num- ber.	Amounts.	Claims Filed—	
			Num- ber.	Amounts.
Submarine warfare	451	\$110,254,058.69	411	\$23,321,243.65
(Including loss of life, personal injuries, loss of hulls, cargoes and personal effects, war-risk insurance, losses due to submarine, raiders and mines. These figures do not include hull losses for which the United States Government may be liable through requisition, nor insurance claims on hulls, except by Bureau of War Risk Insurance).		23,500 pesetas.....	...	£7,908
		22,909.25 lire.....	...	.....
		17,709.55 francs.....	...	.....
		£13,701 .....	...	.....
Military requisitions of and damage to property, including that in occupied territory.....	77	\$10,299,279.69	35	\$5,439,539.41
		6,842,509.05 marks.....	...	£2,932
		1,419,388.91 francs.....	...	161,850 francs
		13,580.95 rubles.....	...	9,680.16 guilders
		55,650 pesos.....	...	4,500 marks
		£11,868 .....	...	*1,016,422 tael
		63,000 kronen.....	...	.....
		†672,618,713.46 lei.....	...	.....
Personal injuries, arrests, detentions, expulsions. Sequestration cases, damage to property in Germany, including loss, use, sale liquidation, forced loans	2	\$200,000	2	\$52,500
	82	\$46,066,419.28	65	\$6,075,986.05
		59,000 francs.....	...	42,000 francs
		29,744,866.40 marks....	...	496,874.95 marks
		£135,259 .....	...	£2,800
		443,970.33 kronen.....	...	.....
Miscellaneous, not included above.....	23	\$2,539,420.81	5	\$5,238,646.85
				186,698.28 marks
Total of above, as stated in dollars.....		\$169,359,178.47		\$40,127,915.96
Other items mentioned above if converted into dollars at ordinary value of the respective coins, about		107,390,560.10		1,057,815.25
Complete total	635	\$180,098,234.48	518	\$41,133,231.21
		672,618,713.46 lei.....		
Grand total of 1,253 claims and statements of loss or communication indicating intention of filing claims.....				\$221,231,465.69
				672,618,713.46 lei

*A weight of silver. †Claim for German destruction of property in Rumania at time of German invasion of Rumania in 1916. Stated in lei, a coin of Rumania.

Claims in which no amounts have yet been stated 37
Statements of losses and statements concerning property in Germany in which no amounts have been given. Many of these may become claims, particularly those based upon submarine warfare 858

The items included in the foregoing summary, which comprise the principal part of the amounts claimed or losses alleged, are loss of life, personal injuries, vessels sunk in submarine warfare, cargoes lost in submarine warfare, insurance paid, and premiums paid on war risk insurance. Further information regarding these losses and claims is set forth below under their respective headings. In the statements which follow, the term "pre-war" relates to losses which occurred prior to the entry of the United States into the war. The term "belligerent" relates to losses which occurred during the participation of the United States in the war.

No account is taken in this report of the expenses of the American Army in occupied territory in Germany.

Monetary losses sustained by the Shipping Board on account of sinkings due to submarine warfare are comprised in three principal classes: (1) Vessels owned by Shipping Board and not in service of army or navy, (2) requisitioned American steamers, and (3) requisitioned Dutch steamers. (See Exhibit 10.)

EXHIBIT NO. 11

Recapitulation of American steamships and sailing vessels destroyed by submarines, raiders or mines since the beginning of the war.

Type.	Number.	Gross Tons.
Steamships:		
Freight steamers.....	66	251,302
Tankers	14	66,335
Freight and passenger.....	5	51,303
Total	85	368,940
Sailing Vessels:		
Ships	3	8,282
Barks and barkentines.....	7	7,271
Schooners	58	43,019
Barges	4	2,971
Total	72	61,549
Grand total.....	157	430,489

AMERICAN INTERESTS IN GERMANY

The treatment of American-owned property of various descriptions in Germany is a possible

source of further claims. Several thousand American citizens have filed with the department statements describing their property in Germany, and giving an estimate of its value. An abstract of information furnished the department regarding American interests in Germany follows:

Character of Property.	Estimated Values.
Real estate.....	\$10,271,449.48
Debts, including accounts and bills receivable.....	29,267,147.27
Securities	67,183,750.55
Deposits	30,951,549.20
Miscellaneous property.....	49,910,371.10
Inheritances, real, personal and miscellaneous.....	3,563,079.16
Total	\$191,147,346.76

By an ordinance of Jan. 11, 1920, various war measures adopted by the German Government relating to enemy property in Germany were repealed.

Consequently, while American citizens since Jan. 11, 1920, have been able to obtain the possession of real estate and certain classes of personal property which had been sequestered by the German Government, they have been unable to obtain the release of credits, cash and deposits.

The amount of claims which may be expected to result from sequestration of American property in Germany is as yet uncertain.

Losses by American prisoners of war: By reference from the War Department some 613 cases

EXHIBIT NO. 19.

United States Shipping Board losses in dollars.

Vessel.	Deadweight Tons.	Value.	Date of Accident.	Location.
(a) Owned—Total losses:				
Council Bluffs.....	4,200	\$840,000.00	Nov. 13, 1919	Sunk by mine off Terchelling.
Florence H.....	5,500	962,500.00	Apr. 17, 1918	Explosion at Quiberon Bay, France.
Lake City.....	4,000	800,000.00	Oct. 3, 1918	Sunk in collision off Key West.
Lake Placid.....	4,200	840,000.00	May 19, 1919	Sunk by mine off Bingo Light, Sweden.
West Arvada.....	8,800	1,760,000.00	June 19, 1919	Mined near Dutch coast.
(a) Owned—Partial losses:				
Englewood	7,323	1,464,600.00	Aug. 18, 1919	Struck mine mouth of Thames River.
Liberty Glo.....	7,500	1,500,000.00	Dec. 5, 1919	Struck mine off Terchelling.
(b) Requisitioned—total losses:				
Alamance	5,300	1,103,883.33	Feb. 5, 1918	Torpedoed off Maiden Head, Ireland.
Atlantic Sun.....	3,800	626,728.77	Mar. 18, 1918	Torpedoed, Atlantic Ocean.
Carolina	4,100	937,500.00	June 2, 1918	Sunk off Delaware Capes by submarine.
Pinar del Rio.....	4,060	776,071.23	June 9, 1918	Submarined off United States coast.
Santa Maria.....	8,300	1,483,529.73	Feb. 25, 1918	Torpedoed off Lorne, Ireland.
Tyler	4,200	915,457.51	May 2, 1918	Sunk by submarine off French coast.
Winneconne	3,200	590,912.60	June 8, 1918	Sunk by submarine off Jersey coast.
(c) Chartered from Dutch—Total losses:				
Merak	5,250	1,304,675.03	Aug. 6, 1918	Sunk by submarine off Diamond Shoals.
Texel	5,600	1,405,864.68	June 2, 1918	Sunk by submarine.
Yeselhaven	6,293	1,524,069.77	Feb. 14, 1919	Sunk by mine.

in which American prisoners of war lost property in Germany or suffered other injuries or losses while prisoners, have been brought to the attention of the Department of State. The losses submitted by the War Department were compiled from data contained in the affidavits of the American military prisoners who were held in various prison camps and hospitals in Germany. In addition to the complaints regarding loss of personal property, other grounds of complaint are cruelty, neglect, lack of food and medicine, ill treatment, insanitary living conditions

and enforced labor. These cases may be summarized as follows:

Number of cases in which value of property is reported.....	296
Total value of property lost as reported	\$12,560.08
Cases in which miscellaneous injuries are reported, but no amounts of claim or loss alleged.....	464
Cases involving loss of property in which estimates or statements are incomplete	116

GREEK MOBILIZATION NOT SUSPENDED

To the Editor of Current History:

In your June issue, under caption "Greece in New Difficulties," you state that "in Greece * * * mobilization has been suspended and martial law declared." This statement should be accepted with a reserve similar to that with which the news of Mr. Venizelos's triumph should have been received. Every intelligent newspaper reader is aware of the fact that Greece, since the outbreak of the war, has been the victim of shameless misrepresentation. Reports that in after-election demonstrations in Athens pictures of the former Kaiser were in evidence; that Queen Sophie invited the former German Emperor to Corfu, &c., filled the columns of both the American and European journals during the last few months. One does not have to be a genius to understand that such publications constitute pitiless murder of the truth.

When reading a dispatch from Athens one should bear in mind that, so far as is known, every foreign newspaper correspondent in Athens is either a Greek Venizelist or a Frenchman. Of course, to be a Greek Venizelist or a Frenchman is no crime. The fact is worth mentioning, however, for it shows that the news these correspondents send is not reliable. Those who read Athenian Venizelist or Paris newspapers know this. They know that under the guise of a narrative of events, false information is being presented to the public. For example, the Athenian Daily *Patris*, the leading Venizelist organ in Greece, publishes frequent accounts of alleged mistreatment of Venizelists, only to publish their

denial on the day following, as the Greek law demands that a refutation be given as much publicity as a charge. It is amusing occasionally to see denials made by the very persons who, according to the *Patris*, have been the victims. By thus butchering the truth the Venizelists—and only a few militants, for the great majority of Mr. Venizelos's followers are patriotic men—aim at the overthrow of the present Greek Government. Mr. Venizelos does not approve of such methods. Certainly no one with a grain of patriotism would approve of his country's betrayal for the sake of political advantage, and the slanders we see dispatched from Athens are scarcely less than treasonable acts.

No, the mobilization in Greece has not been suspended. On the contrary, if the entire Greek press and the letters I receive from Greece can be relied upon, the Greeks have responded to their country's call enthusiastically. Though it is true that martial law has been declared, its application was made necessary not by the Greeks' unwillingness to fight, but by the suspicious movements of the Turkish followers of Mustafa Kemal Pasha in Greece.

The report that "Greece has asked Italy to intervene at Angora" is not "worthy of consideration," as you seem to believe (P. 520). Mr. Gounaris, asked to confirm it, vehemently denied it, adding that "such rumors are the products of machinations calculated to impede the Government's task." (Athens *Politeia*, April 25, 1921.)

EFTHYMIUS A. GREGORY.

Aiken, S. C., June 11, 1921.

THE WAR WON ON THE EASTERN FRONT

BY GORDON GORDON-SMITH

Captain, Royal Serbian Army

A clear view of colossal blunders in strategy committed by both sides—Violation of Belgium was Germany's chief error, and that of the Allies was their delay in striking on the eastern front—Truth emerging from the dust of battle

AS the World War of 1914 recedes into the distance, much that has hitherto been obscure is becoming clear. The dust of battle is dying down, and the main points of strategy and policy are beginning to stand out more clearly. But so, at the same time, are the colossal errors committed on both sides becoming more apparent. On the side of the Allies the great, the cardinal, error, was the theory that the war could be won only on the western front. It is now becoming clear that this is the front on which the war could *not* be won. It was this error of judgment on the part of the French and British staffs which made the war drag on for over four long years.

This, of course, is not conceded, even today, by the "westerners," who still refuse to admit the capital error they made in rejecting any other solution of the problem than one obtained in France and Flanders. But, as the months pass, the "easterners" are slowly but surely coming to their own. Their numbers are not great in the United States. This is only what might be expected, as the American forces, from the time they entered the war, fought only on French soil. It is, therefore, only natural that the western front should exercise a sort of hypnotic influence on their consideration of the war.

But in spite of this the easterners are beginning to find partisans in the ranks of the American Army. Not the least of these is Colonel H. H. Sargent, the well-known authority on strategy, whose latest book, "The Strategy of the Western Front" (A. C. McClurg & Co., Chicago), is a powerful indictment of the errors in policy and strategy made by the Allies. Colonel Sargent's works on the campaigns of Napoleon are classics in American military literature,

and the present volume will undoubtedly add to his reputation.

In order to realize the astounding errors made by the Allies, and the almost equally extraordinary mistakes made by the Central Powers, the causes of the World War must be kept in view. The curious thing is that these were not realized by the Allies, especially the British, at the time war was declared, and many people fail to grasp them even today.

The cause of the war, or at least the *causa causans*, was the ambition of Germany to be the master of Europe, the first step toward the mastery of the world. In order to realize this ambition; the first thing necessary was the creation of "Mittel Europa," an empire under German leadership running from the Baltic and the North Sea to the Persian Gulf. There was nothing impracticable in the idea; in fact, it came within a hairsbreadth of being realized. What, then, was necessary to realize it? The union of Austria and Germany, the support of the Balkan States and an alliance with Turkey. The union between Germany and the Austrian Empire in 1914 was already a *fait accompli*; the Austrian Emperor was practically the vassal of his powerful German neighbor. The Ottoman Empire had also joined the combination, so that the two main parts of the future world empire were already created.

All that remained to be done was to link them up by bringing the Balkan States into the combination. In order to accomplish this, Carl von Hohenzollern had been placed on the throne of Rumania, and Ferdinand of Saxe-Coburg-Gotha on the throne of Bulgaria. The Kaiser had made sure of the support of Greece by giving his sister in marriage to King Constantine. Through thirty long years this edifice of the future

grandeur of the German Empire had been built up, slowly but surely, by William II. The Kaiser and those around him completely realized the enormous possibilities of this grandiose scheme. Once it was realized, Germany would be master of the entrances to the Baltic and the Black Sea, the Kaiser's fiat would run from Koenigsberg-in-Preussen to the Persian Gulf, Europe would be cut in two, and Russia completely isolated from the rest of Europe. Without the permission of Germany the Russians would be unable to hold any communication with the remainder of Europe, except by airplane. The creation of such a situation was equivalent to German domination of Europe. As soon as it was effected, France, Great Britain and Italy would fall to the rank of second-class powers, accepting the dictation of Berlin and allowing the Wilhelmstrasse to impose its policy on them.

But a chain is strong only in the ratio of its weakest link, and one link was weak in the Pan-German chain. To be precise, it was missing. That link was Serbia. This little country lay right athwart German ambitions, completely barring the route to the Near East. For thirty years nothing was left undone to crush Serbian resistance to the German scheme and to force her to enter the Pan-German combination. Every kind of pressure, diplomatic, economic and financial, was brought to bear on her. But the statesmen in Belgrade saw the danger. They knew that once the Pan-German combination was complete, each of the States composing it would be completely under the thumb of Germany. "Mittel Europa" could be created only at the expense of the liberty and the independence of the smaller States. Serbia, therefore, resisted every effort to force her to enter the combination, and as long as she held out she brought the whole grandiose scheme to naught. Her destruction was therefore resolved upon. When this was accomplished, "Mittel Europa" would be achieved, and Germany would be master of the Eastern Hemisphere.

Of course, no one in Berlin or Vienna for one moment believed that this could be brought about without a general European war, and for this war Germany was preparing through forty long years. But what will amaze future generations is the fact that the remainder of Europe looked on

without realizing whither German ambitions were trending. Still more astounding is the fact that Germany made no effort to conceal her plans and ambitions. Not one volume, but a whole library exists, stating the aims of her national policy. It was perhaps this very fact that caused the blindness of the other powers. If Germany really had such intentions, they argued, she would take good care not to proclaim them from the house-tops. This was an immense error. The German Government had to have the whole nation solidly behind it in its schemes, and for this public opinion had to be educated to understand them and accept them. Hence the mass of Pan-German literature.

Official Germany, of course, on the rare occasions when some statesman of the Entente became anxious, always washed its hands of such propaganda, declaring that the various writers expressed only their personal views, and that these views were in no way inspired by the Government. The ever-increasing strength of Germany, both military and economic, rendered the possibility of relegating her to her proper place without a European cataclysm less and less likely, and all the European statesmen shirked the task; none of them were willing "to bell the cat." They accordingly "carried on," hoping, like so many political Micawbers, that "something would turn up"—preferably some kind of internal revolt in Germany against militarism and exaggerated Pan-German ambitions. And so Europe moved, slowly but surely, to the inevitable catastrophe.

Meanwhile Germany and Austria carefully scanned the political horizon, watching for the favorable moment to strike. This, they decided, had come in the Summer of 1914. In the last fateful days of July they unmasked their batteries and the World War was on.

WHY GERMANY FAILED

The German plan was simple. It was to send an Austrian army down to Serbia to crush and seize that country. This victory would have the effect of bringing Rumania (with which country Austria had a military convention almost equivalent to an alliance), Bulgaria and Greece in on the side of the Central Powers. The Turkish ally would join the movement, and "Mittel Europa" would be realized. This would, of course,

immediately bring France and Russia into the war. It was the rôle of Germany to mass her armies at once on the French and Russian frontiers to prevent these countries from interfering with the realization of the "Mittel Europa" plan. The Serbian campaign, it was expected, would be over in four weeks' time. A huge empire, running from the Baltic to the Persian Gulf, with a population of 200,000,000 would at once come into being. By damming back the military forces of France and Russia behind two lines of entrenchments, complete peace would reign in the newly created "Mittel Europa." This area, behind the rampart created, would then be taken in hand and organized, politically, commercially, industrially and militarily, with the usual German efficiency and thoroughness. With a monopoly of the commerce of this huge territory, German mills and factories would find enough trade to keep them busy. Life would, therefore, go on almost normally behind the bulwark of the German and Austrian entrenchments.

Once Germany had established her thorough grip on "Mittel Europa," she would gather together her forces for the final victory. Every available man would be concentrated against France, and her resistance crushed. Then it would be the turn of Russia, and the Central Powers would be masters of Continental Europe and confront Great Britain on her island stronghold, but a Britain without an army, with nothing but her fleet between her and destruction. That the German plan was not only possible but feasible is beyond all doubt. In fact, when it is realized how near the German project came to accomplishment, the world may shudder at its narrow escape.

Why, then, did it fail? For this there were three reasons: a military miscalculation, diplomatic incompetence and national Prussian arrogance. The military miscalculation was the misjudging of the military strength of Serbia. Instead of the Austrian invasion being, as Berlin and Vienna expected, a mere "promenade militaire," it resulted in two Austrian defeats. Twice the army of Field Marshal von Potierek crossed the Danube, and twice it was hurled back in confusion. And so, instead of "Mittel Europa" being achieved in the first four weeks of the war, it was, thanks to the bravery of King Peter's troops, still un-

achieved twelve months later. There is not the slightest doubt that Serbia, by her gallant resistance, saved Europe. If she had given way in the first four weeks of the war Europe would have been doomed.

The second cardinal error was made by German diplomacy, which assured the Great General Staff that if the German armies invaded Belgium, the Belgian Government would confine itself to a protest, but would offer no active resistance. Not only did the German Army find itself face to face with the forts of Liège, but her action at once brought Great Britain into the war. If the Germans had not invaded Belgium, there is little doubt that Great Britain would not immediately have entered the war. The British people argued that since 1870 France had foreseen the possibility of a fresh conflict with Germany, and had taken her precautions to meet the danger. Her well-equipped and well-trained army was on a war footing almost equal to that of Germany. In addition, she had her alliance with Russia.

If, then, Germany had not gone through Belgium, Great Britain would not have entered the war at once. It is quite certain, of course, that she would never have permitted the defeat of France, and would have come to her assistance if this threatened. But this intervention might have been too late, and France might have been crushed before Great Britain was able to throw her weight into the scale.

GERMANY'S CHIEF BLUNDER

Germany's action in invading Belgium was not only a mistake politically, but, as Colonel Sargent points out, was also a military error. Her proper strategy was not to invade France, but was, on the contrary, at once to go on the defensive, dig herself in, and shut France up within her frontiers while, in conjunction with Austria-Hungary, she overran Serbia and crushed Russia before that power had time to mobilize her immense but slow-moving forces.

Colonel Sargent explains this solution as follows:

When Napoleon made war in a single theatre of operations, it was his invariable rule to take the offensive, but to take it along but one line at a time; and had Germany followed this rule and held defensively the French front, from Luxemburg to Switzerland, and then united the remainder of her forces with those of Austria offensively, first

against Russia and then against Serbia, she could have defeated and crushed the armies of both in a short while, and then could have returned to the western front and with overwhelming forces, flushed with victory, have speedily invaded France via Belgium, as she had originally planned, or overrun both Belgium and Holland and conquered France. And in the meantime, while she was disposing of her enemies outside of France, had Great Britain and Belgium declared war against her, she could easily have held her western front against them, since neither, at that time, had any army of consequence; and then, upon her return, could have gone through Belgium without bringing upon herself the odium of violating a neutral country.

Since the front between Germany and France was only 150 miles in length, and was protected, on the German side, by the River Moselle and the fortifications of Metz, and just back of them by the River Rhine and the fortresses of Strassburg; and since the front could not have been turned by France without her violating the neutrality of either Belgium or Switzerland, or both, which it is certain she would not have done, it could have been held by Germany with a small part of her combatant force while she was destroying her enemies in other parts of Europe.

Had she followed this plan, the war at most would have lasted but two years, and probably not so long as that. Had she followed this plan, Great Britain, in all probability, would not have declared war against her at the beginning; for it was the violation of Belgium's neutrality which brought Great Britain immediately into the war. Had Germany followed this plan, she would not have turned the good opinion of the world against her at the start. And it was all so easy, had Germany had any strategical foresight; but, being obsessed with the idea that she must take the offensive at the very start against France, and having worked out plans along these lines for years, and believing that she could conquer France in this way as she had done in 1870, and failing to see that Russia's entrance into the war in 1914 made the strategical situation vastly different from what it was in 1870, she swept forward to her ultimate defeat.

This mistake, this lack of strategical foresight, this stupendous blunder by the German General Staff was appalling, calamitous, for the Central Powers. It turned what should have been a short war into a long one. It cost the Central Powers billions of dollars and millions of men. It brought the young giant, America, into the war against them, and arrayed against them a world in arms. And, what from a German point of view is most catastrophic of all, it has, along with several subsequent strategical blunders, resulted in Germany's practical annihilation as a great military power.

This mistake in strategy was the direct result of Prussian national arrogance. At

the beginning of the war, the German military authorities announced that they were going to capture and occupy Paris. This spectacular but strategically quite unnecessary exploit proved Germany's undoing. Instead of halting her armies at the frontier, digging herself in, and turning her attention to more pressing affairs, she pushed on—to the battle of the Marne. There she got a "wolf by the ear" and dared not let go. So, when Austria proved unable to overcome Serbia, Germany, in death grips with the armies of General Joffre, could not spare the troops necessary to go down and "clean up" Serbia. She had lost the direction of the war, and did not regain it for twelve long months.

The immediate realization of "Mittel Europa" had, for the moment, to be abandoned, until Germany had so developed her strength as to be able to resume the execution of the plan. But the Allies should have understood that its execution was merely deferred and not abandoned.

BLUNDER OF THE ALLIES

It is true that the British had one sound strategic inspiration. Having forced Germany to the defensive in the west, the Allies prepared to strike at the other extremity of "Mittel Europa," and attacked Turkey. Though the execution of the Gallipoli attack was faulty, the strategy was sound. It was obvious that if Turkey could be put out of business and free communication with Russia established via the Black Sea, an allied victory was in sight. So obvious was this that one would have thought it equally obvious that Germany, her very life threatened, would leave nothing undone to prevent the success of the attack on Gallipoli, and would herself drive down through the Balkans to the help of Turkey.

Here once more Serbia was called upon to play her heroic rôle. But this time the effort was beyond her unaided strength. She therefore appealed to the Allies for help, asking them to send 250,000 men to the Danube front to help to oppose the German Army then massing in Hungary. This request was refused, the astounding reason being given that no reinforcements were necessary, as *Bulgaria was coming in on the side of the Allies, and would march on Constantinople to administer the coup de grâce to Turkey.* Serbia, with her 300,000 men,

could always hold the Danube front against the German attack.

And so, by this extraordinary aberration of allied diplomacy, the destinies of the world came to Sofia for decision, and the German-born Ferdinand of Saxe-Coburg-Gotha, King of Bulgaria, was the arbiter. If he joined the Allies, Germany's doom was sealed; if he declared against them, "Mittel Europa" loomed large and the Allies would have their backs to the wall and would be fighting for their very existence. The story of the months of July, August and September, 1915, forms the most shameful page for the Allies in the whole history of the war, as it reveals an infirmity of purpose, a want of political knowledge and a diplomatic incompetence unique in history. Then followed von Mackensen's short but brilliant campaign in Serbia; King Peter's armies were driven into the desolation of Albania, and Germany joined hands with Bulgaria. This instantly and automatically led to the abandonment of the Gallipoli expedition, followed by General Townshend's surrender in Mesopotamia. The German plan for "Mittel Europa" was, at last, almost triumphant.

I say "almost," because there was still one menace to its existence. This was the army on the Saloniki front. There the Allies still maintained a precarious footing, and as long as the Army of the Orient was in being, Germany's lifeline, the Berlin-Constantinople Railway, was menaced. Any successful offensive by the Saloniki force would once more isolate Turkey.

One would have thought that the great, the overwhelming results of a successful campaign on the Saloniki front would have been patent to the meanest intelligence. But it was not so. To the British Imperial Staff the Saloniki front was anathema, and though the French General Staff realized its possibilities, there was at that time no unity of command, and the French were unable to shake the British opposition. France could spare no men to reinforce the Saloniki front, and as Great Britain refused to furnish them, the Army of the Orient for two long years melted away from malaria in almost complete inaction.

Of course, a certain number of men who understood the real situation realized the colossal error that was being committed, but so long as General Sir William Robert-

son was Chief of the Imperial Staff, they had no opportunity of making their views heard. The Imperial Staff got rid of all the newspaper correspondents at the Saloniki front, except two, who were practically official, and made ruthless use of the censorship in London to suppress all reference to Saloniki.

And yet, as Colonel Sargent points out, the Balkans were the "Achilles heel" of the Central Powers, the one point where they were vulnerable. While at the Army War College in Washington Colonel Sargent addressed a series of memoranda to the War Plans Division of the General Staff, advocating a strong reinforcement of the Army of the Orient by American troops, with a view to an energetic offensive. His views, as was to be expected, were combated by the British Imperial Staff.

WAR WON IN THE EAST

But he was brilliantly vindicated. After the appointment of Marshal Foch to the supreme command, and the elimination of General Sir William Robertson and the out-and-out "westerners" from the British Imperial Staff, the Saloniki front came to its own. The Army of the Orient was strongly reinforced and placed under the command of General Franchet d'Esperey, who undertook a strong offensive. And then took place what everybody who knew the situation had foretold. On Sept. 15, 1918, the Second Serbian Army attacked the Bulgarian centre at Dobro Polie and drove it in. Through the breach thus made poured the whole of the Army of the Orient, and in ten days Bulgaria was out of the war.

Colonel Sargent describes the effect of the allied successes thus:

The allied victory in the Balkans not only disposed of Bulgaria, but it separated Turkey from Germany and Austria, severed the Berlin-Constantinople-Bagdad Railway, cut in two the great theatre of operations of the Central Powers, and laid open to attack the communications of the Austrian Army in Italy and of the Germany Army on the western front. Coming as it did right on the heels of General Allenby's great victory in Palestine against the Turks, and just at the time when Foch, on the western front, was beginning to make great breaches in the Hindenburg line, it was a lethal blow to Germany which sealed the fate of the Central Powers. It meant that Germany had lost the war; for, from the beginning, the strategical and vital centre of the whole theatre of war

had been in the Balkans; and just as soon as the Saloniki army was sufficiently reinforced to make a successful campaign against the Bulgarians and cut the Berlin-Constantinople-Bagdad Railway, over which the Turks were obtaining munitions of war from Germany, while Germany and Austria were getting cotton and other supplies from Asia Minor, the entire scheme of the defense of the Central Powers fell to pieces like a house of cards.

The reasons were these: With the Turks deprived of munitions of war, and this deprivation coming immediately after General Allenby's masterly movements against them in Palestine, they had no alternative but to withdraw from the war and seek such favorable terms as they could obtain. This left the Saloniki army free to move northward into Austria, where it was certain to be reinforced by many Yugoslavs and Rumanians, who were ready and anxious to join with the Allies in striking a powerful blow against Austria and Germany. Such an advance into Austria through Budapest to Vienna would cut the communications of the Austrian Army in Italy—the only army of any consequence left to Austria—deprive it of its supplies and compel its surrender. Indeed, the mere threat of such an advance upon its communications kept it in such a state of demoralization that, when attacked about three weeks later by the Italian Army, it was easily driven from its strong defensive positions and almost destroyed.

In this connection, it is worthy of notice that Napoleon's march down the Danube in 1805 and seizure of the Austrian capital, after capturing an Austrian army under General Mack at Ulm, paralyzed the operations of the Austrian Army under the Archduke Charles in Italy and caused him to fall back before Masséna upon Vienna; and that Napoleon's great victory over the Austrian and Russian Armies at Austerlitz a few days later, not only resulted in the reconquering of Italy, but compelled both Russia and Austria to sue for peace. So in this war, as in the days of Napoleon, a successful battle fought by the Allies in the vicinity of Vienna would have conquered for them all Northern Italy.

Austria once defeated and out of the war, the way would be left open for the Saloniki and Italian armies to unite and attack Germany from the south. Such an attack would not only deprive her of the wheat, oil, platinum and other supplies which she had been obtaining from Rumania and the Ukraine, but, when pushed northward, would destroy or threaten the communications of her army on the western front with Berlin and other important German cities. Moreover, an advance from Vienna through the friendly territory of Bohemia would bring the allied army almost to Dresden and within 125 miles of Berlin. Such an invasion of her territory would mean, of course, the destruction of her railways, canals and cities; the blowing up of her bridges and munition plants and the laying waste of her fields. And there would

be no way to prevent it, for she could not detach for this purpose any troops from the western front, since she was not then able to hold her own there. Even had troops been available, she could not continue to feed them and her own people with the British blockading her northern coasts and her sources of supply to the south destroyed. Seeing that all this would mean the bringing home to her people the ruin and desolation of war and, finally, the inevitable annihilation or capture of her great army on the western front, she realized that there was nothing to do but to make terms with the Allies.

On Sept. 28, the day following the request made by the Bulgarian Army for an armistice, Field Marshal Hindenburg and General Ludendorff considered the situation and decided that the need for immediate action had become imperative. Accordingly, on Sept. 29, they dispatched Major Baron von dem Busche to Berlin to acquaint the German authorities with their decision. On Sept. 30 the Major met the Chancellor, Prince Maximilian of Baden, and the Vice Chancellor, von Payer, in Berlin and explained to them Hindenburg's and Ludendorff's views. On Oct. 2 he appeared before the assembled Reichstag leaders and in a speech made clear to them the military situation and concluded with these words:

"We can carry on the war for a substantial further period, we can cause the enemy further heavy losses, we can lay waste his country as we retire, but we cannot win the war.

"Realizing this fact, and in view of the course of events in general, the Field Marshal and General Ludendorff have resolved to propose to his Majesty that we bring the fighting to a close in order to avoid further sacrifices on the part of the German people and their allies.

"Just as our great offensive was brought to a stop on July 15, immediately it was seen that its continuation would involve undue sacrifice of life, so now we must make up our minds to abandon the further prosecution of the war as hopeless. There is still time for this. The German Army has still the strength to keep the enemy at bay for months, to achieve local successes and to cause further losses to the Entente. But each new day brings the enemy nearer to his aim and makes him the less ready to conclude a reasonable peace with us.

"We must accordingly lose no time. Every twenty-four hours that passes may make our position worse and give the enemy a clearer view of our present weakness.

"This might have the most disastrous consequences both for the prospects of peace and for the military position.

"Neither the army nor the people should do anything that might betray weakness. While the peace offer is made you at home must show a firm front to prove that you have the unbreakable will to continue the fight if the enemy refuse us peace or offer only humiliating conditions.

"If this should prove to be the case the army's power to resist will depend on a firm spirit being maintained at home and on the good morale that will permeate from home to the front."

On the next day, Oct. 3, Hindenburg himself appeared before a meeting of the German Cabinet at Berlin and in the following signed statement set forth the views of the General Headquarters of the German Army:

"General Headquarters holds to the demand made by it on Monday, the 29th of September, of this year, for an immediate offer of peace to the enemy.

"As a result of the collapse of the Macedonian front and of the weakening of our reserves in the west, which this has necessitated, and in view of the impossibility of making good the very heavy losses of the last few days, there appears to be no possibility, to the best of human judgment, of winning peace from our enemies by force of arms.

"The enemy, on the other hand, is continually throwing new and fresh reserves into the fight.

"The German Army still holds firmly together and beats off victoriously all the enemy's attacks, but the position grows more acute every day and may at any time compel us to take desperate measures.

"In these circumstances, the only right course is to give up the fight, in order to spare useless sacrifices for the German people and their allies. Every day wasted costs the lives of thousands of brave Germans."

Accordingly, on Oct. 4, 1918, just five days after Bulgaria withdrew from the war, the

German Government requested "the immediate conclusion of an armistice on land and water and in the air."

This, then, was the situation: Bulgaria had been defeated and had withdrawn from the war, Turkey, as the result of the annihilation of her Palestine army and the victory of the Allies in the Balkans, had become absolutely powerless to continue the struggle and was making preparations to surrender. Austria, with her whole southern boundary open to attack and the communications of her army in Italy seriously threatened, was on the verge of complete collapse. There was needed only one more thrust of the Italian Army against her already partially demoralized troops on the Piave to defeat, rout and dissipate them and force her, too, out of the war. And Germany, her armies short of food and her people threatened with starvation, her supplies from overseas and outside countries cut off and her territory open to invasion from the south and no available troops with which to stop it, knew that she was beaten, not through the defeat of her great army on the western front, for that was still fighting without showing the least signs of demoralization and was to continue to fight desperately, for a period of five weeks through a most skillfully conducted retreat, but nevertheless beaten—beaten by the collapse of her rear, brought about by the great blow in the Balkans.

Thus the World War, which began in the Balkans, for the possession of the Balkans, ended in the Balkans.

WHY FRENCH CANADA FEARS THE CENSUS

THE main reason why the French Canadian population fears the decennial census, which was being taken when these pages went to press, is well known to all Canadians. Under the British North American act, which established the Constitution of the Dominion, it was provided that the Province of Quebec should have sixty-five seats in the House of Commons, while the representation of the other provinces was to depend on the electoral quotient of Quebec, or, in other words, on the total population divided by sixty-five. It is no secret that the other provinces, especially those in the west, are gaining population at a much more rapid rate than the provinces in the east. But whatever the increase in Quebec, it will not increase the French representation. An increase of representation for the other provinces, however, spells danger to French interests, and it is knowledge of this fact which makes many Canadians anxious that the census returns should show the full population. In this—according to a Mon-

trepreneurial correspondent of The New York Globe—they are seconded by the French Canadian Church, which holds property interests rivaling those of the Mother Church in medieval Europe, and which fears that any change of representation may injure the Church.

A complication, however, has arisen from the peasants' fear of conscription, to which they are constitutionally opposed. Fearing that the census is merely a recruitment device, many of these peasant families either avoid making a complete census report or falsify the report so as to make it appear that no member of the family is of military age. The French political advisers are endeavoring to combat this tendency in the press, seconded in this by the exhortations of the clergy from the pulpit. But the French peasant, at home or abroad, is an obstinate mortal. The French leaders, therefore, fear that the census may bring a diminution of their Parliamentary power.

MME. CURIE'S FAMILY

To the Editor of Current History:

After reading "The Story of Radium in America" in the June issue of your magazine, I could not help feeling that it was my duty to correct a statement contained therein. I have reference to the statement attributed to Dr. Robert Abbe that Mme. Curie's father was a Polish Jew named Ladislaus Sklodowski and her mother a Swede. Being a personal friend of Mme. Curie's sister, Dr. Dluska, I affirm that both the father and mother of the illustrious scientist are Christians and Poles. For the information of Dr. Abbe I may give the following sketch of the family of Mme. Sklodowska Curie:

The Sklodowskis came from the village of Sklody, Province of Lomza, Poland. Her grandfather was a man of learning, and held the position of President of the gymnasium at Lublin. His eldest son, Wladyslaw, was the father of the future discoverer of radium. Her mother was Bronislawa Boguska—not a particularly Swedish name, it will be admitted. There were five children, the eldest of whom, Sofia, died during childhood; the next in line, Bronislawa—Mme. Dluska, my personal friend—after completing her medical studies at Paris, established and is still managing with her husband, Dr. Kazimierz Dluski, the famous sanatorium in Zakopane, Poland. The third child,

Helena Szalayowa, is a prominent educator, and Joseph, the brother, is a very well known physician in Warsaw. The youngest of the five children was Mme. Marja Sklodowska Curie.

Evidently CURRENT HISTORY is not the only publication that has printed uncritically erroneous statements about Mme. Curie. I now see that Mme. Curie has found it necessary personally to take up the cudgels against the falsehoods disseminated about her. I herewith give a translation of a letter written by her in Polish to one of the papers in Chicago, namely, The Daily News:

My Dear Mr. Czarnecki: Due to the fact that frequently there appear in the American press articles which are not in accord with the truth so far as my nationality and religion are concerned, I herewith request that you make public the fact that I was born in Poland, and that *both my parents are Polish by nationality and Roman Catholic by religion*. Both my father and mother are of purely Polish descent. I was born in the village of Sklody, Province of Lomza, Poland.
(Signed) MARJA SKLODOWSKA CURIE.

If you will kindly publish the foregoing facts in CURRENT HISTORY your courtesy will be appreciated.

MRS. LOUIS CZAJKOWA.

86 Garfield Avenue, Detroit, Mich., June 23,
1921 (care of Polish Consulate).

THE DJAMBI OIL CONTROVERSY

To the Editor of Current History:

With reference to the Djambi oil controversy between the United States and Holland, as exposed in the June issue of CURRENT HISTORY, Page 405, permit me to observe that the last sentence of the penultimate paragraph contains a mistake, which is probably due to wrong translation. It should read, "The majority of the managers and of the directors are to be Netherlands subjects or *residents* of the Netherlands East Indies." This latter term includes aliens. (See third paragraph on Page 19 of Senate Document No. 11 of the Sixty-seventh Congress, First Session, which annuls the fourth paragraph of the American note No. 62 as printed on Page

24.) There are no restrictions as to the nationality of the stockholders.

You may be interested to know that the Djambi question in Holland has never been made so much an international issue as a point in domestic politics. When the petroleum companies operating fields in the Netherlands East Indies began to pay their comfortable dividends, attention was drawn to the desirability of keeping those profits within the country. The same question had turned up already in connection with tin concessions operated by purely Dutch interests, so that this movement has nothing to do with the protection of Dutch capital to the detriment of foreign capital. On the contrary, for various ventures the collabora-

tion of American capital has been invited, but with the exception of the splendid rubber plantations on the east coast of Sumatra, American participation has been very disappointing.

There exist three political parties, roughly speaking, which advocate the reservation of the mining profits for the Colonial Government, viz.: (a) the ethical party, which preaches that the Dutch have assumed a guardianship over the natives; (b) the fiscal party, whose standpoint is that the best method for the Government Treasury to follow is to exploit domestic resources itself, and (c) the Socialist Party, which is in favor of State operation.

The result of the activities of these parties has been the closure of the Djambi territory to private exploration and the intrusting of researches to a Government geologist. As it was considered rather difficult for a Government to enter into the intricacies of the oil trade in the Far East, a harmonious solution was proposed by a contract in which the Government would obtain a certain part of the net profits. Tenders were invited; among others one Dutch company offered 62½ per cent. for a certain district, and the Bataafsche Company 50 per cent., while the Standard Oil Company merely proposed to allow 40 per cent. This shows that there was no discrimination against foreign capital; the American company considered itself automatically out of further consideration.

The bill embodying the two contracts—for 62½ and 50 per cent., respectively—was tabled because of a slight majority accepting a motion in favor of complete State exploitation. This decision was a general surprise, as the competition had been held on the understanding that it would enjoy the sanction of Parliament. The matter was taken up again by the Minister in 1915. As the option of the tenders had lapsed, the highest Dutch bidder withdrew its offer. This resulted in a suggestion from the Colonial Minister in 1917 that the Government should establish the Djambi Mineral Oil Company with the participation of the Bataafsche Company. In 1918 the preliminary written parliamentary reports were published.

To a neutral observer it is not quite clear why a foreign company which had been a lower bidder—just as there were other na-

tional lower bidders whose offers were rejected—now asks the intermediation of its Government in order to obtain a place next to the higher bidder. The bill as passed by the Second Chamber embodies and is the result of the original principles.

The Bataafsche Company will act as a producer and as a technical partner with the Government. In how far the sister institutions will benefit by the distribution is not certain, as the Government is and will become an important consumer for its various enterprises, such as the State railroads, which are already experimenting with American oil-burning locomotives, the Government scrap-metal foundry operated by liquid fuel, and the automobile services in the interior.

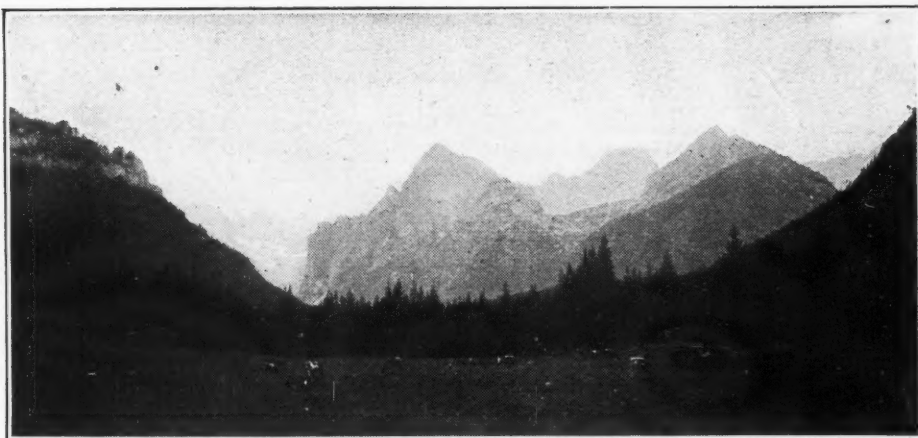
J. H. MUURLING.

Netherland Indian Government Intelligence Office and Produce Sample Room, 44 Beaver Street, New York, June 14, 1921.

DJAMBI OIL BILL PASSED

The First Chamber of the Dutch Parliament, by 27 to 8, passed the Djambi Oil bill on July 1, providing for exploitation of valuable oil fields in Sumatra, Dutch East Indies, for forty years, by a combination of the Dutch Indian Government and the Batavia Oil Company, an offshoot of the Royal Dutch Shell combine, which is controlled in London. The measure is now a law, the Second Chamber having passed it on April 29. Under the bill the combination will have a capital of 10,000,000 guilders (\$40,200,000 at parity), to be divided equally, but the company will be under the control of the Dutch Government, and the Directors must all be Dutchmen.

By adoption of the bill American interests are excluded from exploitation in the Djambi fields. This is Holland's answer to Secretary Hughes's notes in behalf of the Standard Oil Company. (See *CURRENT HISTORY* for June, p. 404, and July, p. 687.) In reply to the note of May 27 the Dutch Government denied that its act closing the Djambi fields to American participation was contrary to the principles of reciprocity. Moreover, the Dutch Government objected to the representing of its policy toward foreign nations as less liberal than that of the United States. The contrary, the note declared, was rather the case.



GLIMPSE OF BEAUTIFUL MOUNTAIN SCENERY IN ONE OF THE PICTURESQUE PROVINCES OF CZECHOSLOVAKIA

THE UPBUILDING OF CZECHOSLOVAKIA

BY J. H. WALLIS

Of the American Relief Administration

Rapid recovery of the new republic from the depression following the war—Problems with which it still has to cope—President Masaryk the Czech George Washington—Present status of industry, transportation, finance and commerce—The racial problem

TWO years ago in Prague (or Praha, as the Czechs call their capital city) there was a building known as "The Dead House." Its function was to house dying babies. Into this "Dead House" were put sick babies from 1 to 2 years old, whose condition appeared hopeless. There the little ones, who had had but a brief glimpse of human life, lay till death took them; lay without food, without medicine, cared for by nurses who could endure for only a few days at a time the deep, continual horror of "The Dead House." There was not enough food, not enough medicine, for those who had a chance; it would have been waste to give it to those condemned to death. That is one picture—a picture of Czechoslovakia early in the year 1919.

Here is another picture. It is Sunday, May 15, 1921. Through the streets of Prague flows a great parade. A hundred and fifty thousand farmers make up the vast procession. They are members of the

Agrarian Party, the second largest political party in Czechoslovakia, and are in Prague to attend the great agricultural fair and exposition. That exposition lasted for five days and was visited by at least 2,000,000 people. It is said that the total number of visitors who came from outside Prague for the occasion was 300,000.

These visitors came from all parts of the Czechoslovak Republic and beyond. Two thousand Ruthenians from Pod Karpátka Rus, the tailpiece of Czechoslovakia, the section which Hapsburg misrule left greatly benighted, were in attendance—an encouraging sign. I saw a large group of swarthy Bulgarians inspecting the machinery exhibit, and many other European nations were represented in the vast throngs which attended the exposition. Americans who have seen a big State fair can visualize the appearance and nature of this Czechoslovak exposition. Animals, grains and machinery were the principal exhibits.

The exhibit of machinery was particularly significant. The larger machinery was exhibited in the open air, the smaller in a huge hall. Americans, who thoughtlessly believe that all the world's modern farm machinery is manufactured in the United States, would have had their eyes opened if they had visited the exposition at Prague. Power plows, gasoline tractors of various makes, thrashing machines, big and little, mowers, reapers, corn planters, potato diggers, new forms of harrows, disks and soil pulverizers, potato planters with an attachment for dropping the needed amount of fertilizer with the seed potato, rakes, stationary engines, road machinery, were among the items on exhibit. Practically everything needed for modern farming was included in the scope of the exposition—and it was all manufactured in Czechoslovakia. Many Americans do not realize that this new republic is a great manufacturing nation. A visit to the Prague exposition would have convinced them of the fact. And it would further have convinced them that a part, at least, of the life of this nation had returned to normal.

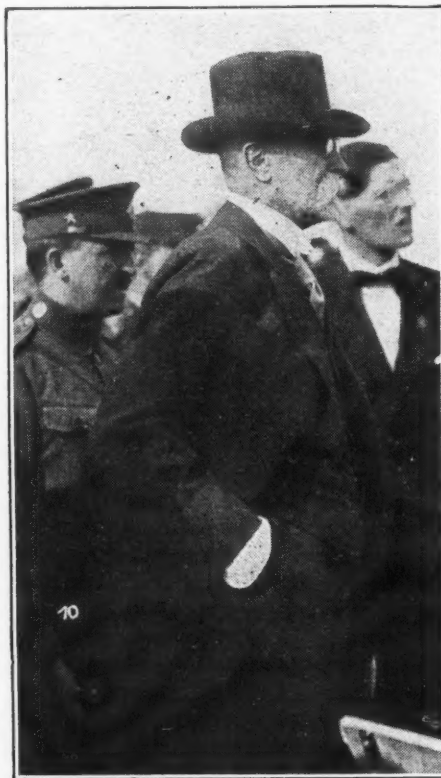
These two pictures are significant. The story of Czechoslovakia of today is a story of recovery. It would be ridiculous to say that the economic life of Czechoslovakia is normal, that things are as they ought to be or as the people want them to be. Czechoslovakia is affected by the world depression in business. It is unable at present to find satisfactory markets for its manufactures in other countries which it would naturally supply. The plight of Austria injures Czechoslovakia. The transportation problem is acute. There is still a serious shortage of milk. There is still considerable hardship in certain districts. Tests now being conducted by the American Relief Administration to determine scientifically the condition of the children being fed by that organization are disclosing a poorer state of nourishment than had been anticipated.

Yet the factory chimneys in Czechoslovakia are emitting smoke in a way that contrasts strikingly with the chimneys of Austria. The people have confidence and purpose in their attitude; they go about their business in a normal way, without fear, sure of the future. Most of them have enough to eat. Except in certain lines there

is no food scarcity. "The Dead House" has disappeared so completely as to seem impossible; it seems a hundred years away instead of two. No longer is it necessary for the American Relief Administration to feed 500,000 children—nearly one-fifth of the entire child population—as it did for a year and a half. The American Relief Administration program extends now to less than 200,000 children, and this number will doubtless be greatly reduced during the Summer and Fall. That it is necessary at all is due more to the present lack of completely satisfactory social agencies for child-care and to the inequitable distribution, arising from the republic's newness as a nation, than to any positive lack of food supply in Czechoslovakia.

THE ECONOMIC SITUATION

In Prague I sought out the leading banker of Czechoslovakia, Antonin Tille of the Zivnostenska Bank, to get his views on the economic situation and prospects of Czecho-



THOMAS G. MASARYK
President of Czechoslovakia, at a review of
troops in Prague



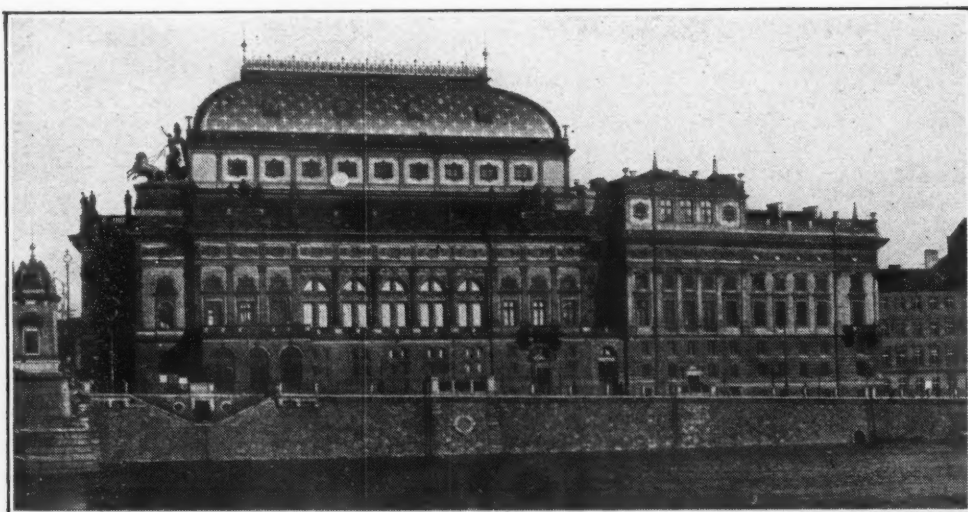
VIEW OF PRAGUE, THE CAPITAL OF CZECHOSLOVAKIA, SHOWING THE GREAT CASTLE AND CATHEDRAL ON THE HILL, WITH THE CHARLES BRIDGE OVER THE MOLDAU RIVER

slovakia. Mr. Tille was optimistic. He was confident of the future of the nation. He saw clearly enough the unsatisfactory elements in the present situation, the difficulties the new republic has to face, but he pointed out to me numerous items of strength possessed by Czechoslovakia and some very satisfactory features in the present situation:

The condition of industry in Czechoslovakia [he said] is not so bad as might be thought. Some branches are suffering from overproduction because they can find no markets for their goods. These are the industries depending mainly on export. For them the difficulties of transport and of exchange are acute. All our industries which depend upon foreign markets are suffering on account of the difficulties of transportation. There is a great lack of freight cars. Freight cars shipped into other countries are a long time in coming back, and some do not come back at all. Even though we repaint our cars and indicate on them in big letters that they belong to Czechoslovakia, they do not always come back. We are now manufacturing a good many cars, but this does not supply all our needs when cars remain so long on the way.

Exportation of goods is also hampered by the artificial restrictions placed in the way of business by some of the States of Central and Eastern Europe. The prosperity of our industries depends upon settlement of arrangements for commercial intercourse between countries. Czechoslovakia now has entered into commercial treaties with a number of States and is negotiating with others. We are in favor of agreements between States for free transit between non-contiguous countries across intervening countries without interference or restriction. The unsatisfactory financial situation in Austria is an injury to our trade. The action of the Austrian Government in issuing so many billions of unsecured paper has depreciated the value of the Austrian crown to such an extent that Austria is unable to buy our goods. For example, we formerly exported clothing to Austria, but the exchange situation prevents that at present. In general, however, our industrial condition is improving in ratio with Europe's adjustment to the new political arrangement, the removal of artificial barriers between States, and the establishment of freer intercourse between nations.

Dr. Alois Rashin, Czechoslovakia's first Finance Minister, to whose wisdom and



THE NATIONAL THEATRE IN PRAGUE, CENTRE OF THE CITY'S ARTISTIC AND SOCIAL LIFE, AND SCENE OF SOME OF THE EARLIEST ACTIVITIES FOR CZECHOSLOVAK INDEPENDENCE

foresight is largely due the nation's relatively strong financial position, happened to be in the bank during my interview with Mr. Tille. Mr. Tille called Dr. Rashin into the conversation. Upon his arrival our discussion naturally turned to the financial position, plans and prospects of the Czechoslovak Government. I mentioned to Dr. Rashin the fact that the countries of Europe had not only abandoned the gold standard, but had really no definite standard at all at present, since one could get from any European Government for a piece of paper currency, on demand, not only no gold, but not even a definite amount of wheat or potatoes. I asked the former Finance Minister what plan or prospect there was of establishing the gold standard in Czechoslovakia.

Dr. Rashin replied as follows:

It was my hope on becoming Finance Minister of Czechoslovakia to be able at once to establish our currency on a gold basis, but I found that conditions made impossible the immediate or very early establishment of the gold standard. The chief cause of our inability to maintain a gold standard at once was the fact that Czechoslovakia had to take over about 9,000,000,000 crowns of old Austrian notes without any security back of them. This huge issue of notes made it impossible for us to secure a gold loan of sufficient size to establish a gold standard. We did not, however, give up the idea of a gold standard; we merely accepted the inevitable,

and postponed the date of establishing such a standard.

Meanwhile we put into effect a system of heavy taxation, so that our money would not be further depreciated. Our currency above the 9,000,000,000 old and unsecured notes is secured by commercial paper, various other securities and some gold, the gold being about 265,000,000 crowns. Our banking office of the Ministry of Finance is not allowed to issue more notes without security. Our budget for 1921 more than balances. Our financial program calls for the reduction of our unsecured note issue through retirement by means of the application of a property tax. This property tax, or tax on capital, is a general one. Fortunes of 25,000 crowns or less—the present value of the crown being taken—are exempt. On fortunes above that the tax is graduated from 5 per cent. on small holdings up to 35 per cent. There are to be six semi-annual payments, so that the whole tax will be paid in three years. We estimate the entire sum to be received from this property tax at 12,000,000,000 crowns. So, in three years we expect to pay off the unsecured 9,000,000,000 of Austrian notes. Our remaining currency would then be fully secured by gold or securities, and our financial position would be such that we could approach the United States and get a gold loan, with which we could establish our currency on a gold basis.

It is interesting to note that Dr. Englis, successor to Dr. Rashin as Finance Minister, does not desire to bring the crown back to par. Yet he is, in general, following the sound financial policy laid down by Dr.



ENTRANCE TO THE GREAT CASTLE AT PRAGUE, PART OF WHICH IS NOW OCCUPIED BY PRESIDENT MASARYK

Rashin. His budget for 1921 more than balances with the receipts conservatively estimated; his postal and railroad budgets show a profit on account of higher rates, and he proposes to create a reserve of 1,000,000,000 marks with which to stabilize the crown.

What I wish to emphasize is the fact that the Government of Czechoslovakia is now, and has been, taking a wise and sound course in national finance. It is doing exceedingly well under the circumstances. Outside of England, it was the first European nation to "stop the printing presses," as the current phrase puts it; that is, to stop the inflation of the currency further by increased issues. These financial matters are of genuine importance in considering the situation and the outlook of Czechoslovakia.

In addition to the matters discussed above, I asked these two well-informed men about the political situation in Czechoslovakia. They agreed entirely on the following matters:

The Government of Czechoslovakia is stable and secure. Every one is satisfied with the republic; no one wants a monarchy, and no one wants Bolshevism. The present Government is strong, energetic, able and busi-

nesslike. The heads of the various Government departments, the Ministers, are now experts, specialists in their lines. They are not political figures, but men who understand the business of their offices and are giving a business administration. These men work in connection with a committee of five, named by the leading parties, with which committee all important matters are discussed. In this way the Government is certain of decisive support in its measures. Mr. Tille and Dr. Rashin further agreed that the relief work conducted by the American Relief Administration in feeding hundreds of thousands of children—560,000 being the high figures—had favorably affected the political situation of the nation.

"Where misery is, the people are easily influenced," said Mr. Tille, and this view was borne out by Dr. Rashin, who stated that the American relief work had made for political stability and security, diverting the people from following extreme leaders.

INDUSTRY AND COMMERCE

Another important interview which I had was with Dr. Hodach, President of the Chamber of Commerce. Dr. Hodach told me that Czechoslovakia was working back to normal industrial conditions. "The spirit of the people is getting better," he said. "Prices are going down; the people see that the crown has value, and is not merely paper. Now that the people have more to

eat, they are naturally better satisfied." Speaking of industrial life, he said:

Our industries are suffering to some extent from high cost of production, which causes our costs in some lines to be greater than what the products will bring, greater than prices determined by world-demand. Our industrial problem is to reduce our costs of production. Our manufacturers are making all possible economies to meet the lower price level. They are cutting the number of workers to those absolutely necessary, they are accepting smaller profits. [Mr. Tille had told me that wages would have to be reduced sooner or later and, in this, Dr. Hodach seemed to agree.] In most industries our manufacturers are now able to operate and sell at lower prices.

It is difficult for us, however, to compete with our neighbors, whose costs of production are so low. Those of our industries which get their raw materials from abroad are in trouble, particularly those which had on hand large stocks of materials bought at high prices, for most of those materials have declined sharply in the international market, thus making the cost of the finished product greater for us than for those whose industries benefited sooner by the lower prices. Our cotton industry was an example of this, but in cotton the trouble is nearly over, for most of the dear cotton has been worked up, and we are now buying cheap cotton. The industries which get their raw materials in our own country, such as the sugar, malt, beer, starch, alcohol, ceramics and china industries, have had an easier time of it. Our industrial possibilities are good, but we had to have an adjustment. We are now liquidating the war. We are going through a crisis, not a crisis which goes to the root of industrial life, but a crisis of prices. I hope to see this price crisis ended this year.

Dr. Hodach confirmed the statement of Mr. Tille concerning the gravity of the international transport situation. He said the transport question in Western Europe had been settled, but not in Eastern Europe. "The cars of the old Austrian empire have not yet been divided among the successor States," he said. "The steamers on the Danube have not been divided. For us, the international situation has been distressing, but it is improving. We are building up our Danube port of Bratislava (Pressburg), and are improving our railways. Since the revolution we have built 25,000 cars, but it is not enough. We are building more all the time, and have bought about 2,500 abroad. We must have new railway lines to serve and develop the country, particularly in Slovakia." Dr. Hodach continued, as follows:

We must complete a system of commercial

treaties. We now have such treaties in effect with some countries and are negotiating with the others. We must come to an arrangement to keep down duties. It is not possible for one country to have all the needed industries. We must get satisfactory international relations and have reasonable freedom of commercial intercourse. Czechoslovakia now has a system of duties in self-protection because the other countries have. It is the residue of the war spirit. During the war, a belligerent had to be self-dependent, but such is not now the case.

Czechoslovakia will go to the Porto Rosa Conference, the conference between the so-called Successor States, to be held for the purpose of removing unnecessary economic barriers, &c. Every conference bringing the new nations together is good. But we do not have exaggerated hopes. The biggest work is to be done through treaties between countries. We must have a satisfactory economic organization of Central and Eastern Europe through commercial treaties, but we will not have a political federation. We have the utmost interest in settling the international situation.

I give Dr. Hodach's views at some length because he represents the attitude of the responsible business men of Czechoslovakia. This attitude is clearly the expression of a rational spirit of conciliation, looking toward international freedom of intercourse and progress.

THE CZECH'S GEORGE WASHINGTON

It was, lastly, my good fortune to have an interview with President Masaryk, the idol of every Czech, in very fact a present-day father of his country. When I saw him—on May 18—the President was convalescing from a severe and dangerous illness which had kept him in bed for three months, and which had alarmed all those who realize how necessary his presence still is for the success of his republic. He was to leave in a few days for a long rest in Italy. President Masaryk is more than 70 years old. On the occasion of our conversation he looked frail, and it was slowly and with some difficulty that he walked about the great room in an upper floor of the enormous castle—formerly royal—which spreads so mightily over the ridge that looks down on the great city of Prague and the beautiful Vltava [Moldau] River.

Dr. Masaryk spoke with happiness of the present relatively satisfactory condition of the Czechoslovakian Republic, and with confidence concerning the future. Naturally,



THE GREAT SQUARE IN PRAGUE, WITH THE FAMOUS FIFTEENTH CENTURY CLOCK (ON THE LEFT), IN WHICH FIGURES OF CHRIST AND THE TWELVE APOSTLES PARADE AND BOW AT THE STRIKING OF THE HOUR

much of our conversation was of America. The President expressed the deepest appreciation of America's part in the war, which had made the Czechoslovakian Republic a reality, and also of the work done by the American Relief Committee.

I asked the President for his photograph for use with this article. When he autographed it and gave it to me, I felt as if George Washington had returned from the days of America's infancy to do me such a favor, for I realized that the simple, modest, gracious man with whom I had been speaking is one of the great figures of today and destined to occupy a real and a large place in the history of Europe. He invited me to one of the windows of the castle from which can be obtained a wonderful view of the ancient and picturesque city of Prague. Leaning on the window sill, he pointed out a number of places of beauty and historic interest, in the towered city lit with sunlight, along the river spanned by noble bridges far below us and on the adjoining hill.

Thomas G. Masaryk is accepted universally in Czechoslovakia as a national hero. If he were dead a hundred years, he could

not receive more undisputed homage. It is well that Czechoslovakia, in its infant years, has such a national figure, such a rallying point, as Masaryk. He is a unifying force of the first magnitude for the new republic.

FOREIGN POLICY

Czechoslovakia has another strong, able and patriotic statesman in Dr. E. Benesh, the Minister of Foreign Affairs. Like Masaryk, Benesh is not aligned with any of the parties; he is a national, not a political, figure. Under his wise guidance Czechoslovakia has been carefully keeping out of international trouble, and, if his policy prevails, will continue to keep out of trouble. He is the father of the so-called "Little Entente," as the protective alliance between Czechoslovakia, Rumania and Jugoslavia is called. There is nothing secret about the understanding between these three States. Dr. Benesh says that the "Little Entente" is a natural and essential arrangement for peace and stability in Central Europe. One good job the "Little Entente" performed speedily and satisfactorily was the squashing of ex-Emperor Karl's attempt to regain the throne of Hun-

gary. Hungary and Karl were warned that the three allied nations would not permit his return to power. A time limit for his departure from Hungary was set—and he departed.

This hostile attitude toward the Hapsburgs, justified abundantly by remembrance of centuries of oppression and cruelty, is the only warlike note in Czechoslovakia's foreign policy. Except for that item, this policy, as set forth fully in a speech delivered by Dr. Benesh in January, is one of peace and amity with all Czechoslovakia's neighbors, including Germany, Austria and Hungary; of neutrality between all belligerents, and of close collaboration with the Entente powers. Czechoslovakia is for peace and economic reconstruction in Central Europe, for international co-operation and good mutual relations. Her behavior has proved the sincerity of her declarations. Her policy and her behavior alike offer bright hopes for the future.

THE RACIAL PROBLEM

Czechoslovakia, like the other newly established nations, has her own internal race problem. There are in Czechoslovakia about 6,700,000 Czechs, about 2,000,000 Slovaks, about 3,800,000 Germans, about 900,000 Magyars, about 400,000 Russians or Ruthenians and about 130,000 Poles. The Czechs and Slovaks are Slavs and feel themselves akin. Their languages are variants from the same source, the Slovak being the archaic Bohemian dialect. Dr. Nikolau states that "the Czechs and the Slovaks, without any special studies, can read newspapers and books written in each other's literary language, and when speaking understand each other better still." Statements from hostile sources to the contrary, it is most probable that the Czech and Slovak sections of the population of the republic will work in satisfactory harmony together, becoming more, rather than less, unified with the years. The Czechs and Slovaks together won liberty and nationality for Czechoslovakia, and it is not likely that their naturally racial and mutually advantageous bond can be broken.

The Ruthenians are Russians dwelling south of the Carpathians. They are, of course, of the same great Slav origin as the Czechs and Slovaks. Their speech is not

greatly different from the Slovak, but in religion they adhere to the Russian Church. They are very illiterate, about 95 per cent. being unable to read or write. It is said that they became part of the Czechoslovak Nation of their own free will, but it seems doubtful that they have any genuine attachment of a nationalistic sort to Czechoslovakia. Their gaze is toward Russia. Formerly they suffered under the despotism of Hungary, and their illiteracy is due to that despotism. Dwelling south of the mountain range, they find union with a genuine Russian State geographically difficult, and in joining with Czechoslovakia they perhaps came as close to political union with their own kind as circumstances permitted from a practical point of view. They furnish something of a political problem for Czechoslovakia, a problem not yet settled. Czechoslovakia proposes to solve the problem by education.

In contrast with the Ruthenians, occupying homogeneously a distinct geographical section of the republic, and classifiable as unassimilated rather than hostile, the Magyars may be called a hostile element. But they do not occupy so distinct a geographical section as do the Ruthenians in the eastern tail of Czechoslovakia. The Polish element is a minor matter.

THE GERMAN PROBLEM

The big racial problem which Czechoslovakia has to solve concerns the German element of nearly 4,000,000. Only a short time ago the Germans in Czechoslovakia were members of the ruling race, while the Czechs and Slovaks were the subject peoples. It was hardly to be expected that the Czechs, oppressed and exploited for centuries, were going to clasp to their bosoms at once the remnants of the oppressor race who continued to reside among them after the winning of freedom. Not only do the Czechs recall centuries of oppression; they also remember that, in the great war, the rulers of the Central Powers compelled the Czechs to fight for their oppressors against those who would liberate them. Further, the Czechs remember how they were used as the work horses of the old Austrian Empire, and taxed for the benefit of Austria, particularly of Vienna. It would have been more than human had the Czechs, immediately after gaining their independence, be-

gun to love their enemies. Nor was it to be expected that the German element, suddenly become the underdog after centuries of superiority, would feel quite pleased about the matter.

The feeling between the two elements, however, is growing better. Whereas, a year ago, a Czech to whom a question was put in German would refuse to answer, German is now used without especial notice, even by some of the clerks in the Government offices. This language question appears a hard one. The Czechs certainly do not intend to give up their language, nor do the Germans intend to give up theirs. The Czechs are not attempting to extirpate the German language. The Germans have separate schools for both primary and higher education. German representatives in Parliament, of different political faiths and different economic views, all belong to a German party group, or Central Parliamentary Organization of the German parties. The fact that they are German is, thus far, of greater strength than their differences of party; thus far, they are unitedly German first, and Social Democrats, Agrarians, Clericals, or National Democrats afterward.

Recently President Masaryk invited the German Party group to discuss with him their relations with the Government. Upon communication of the invitation to the different German parties, it was discussed among the German clubs and it was decided to accept, provided the "full meeting" of the Central Parliamentary Organization raised no objection. When that organization met, the radical wing opposed accepting the invitation. Upon a vote being taken, the result was a draw, which was decided against accepting by the vote of the Chairman.

But before the meeting, the German League of Farmers had, without consulting the other parties or waiting for a group meeting, sent a representative to see President Masaryk. To this representative President Masaryk promised that a place would be made in the new Cabinet for a German and that Germans would be called to important posts in the Government. When the German representative asked the President what concessions would be demanded from the Germans in return, President Masaryk said that nothing would be de-

manded, but that a relaxation of the tension would be expected. Mr. Masaryk's spirit of humanity and conciliation—a spirit worthy of Abraham Lincoln—made a favorable impression upon the Germans, and the German press severely criticised the refusal of the German Parliamentary group to accept the President's invitation.

America, through the work of the American Relief Administration, has done something to bring Czechs and Germans together. The co-operation on committees and the impartiality in distribution have been effective in creating mutual confidence, respect and sympathy.

It must be admitted that the German problem is a large one for Czechoslovakia. America has different races to weld, but she is not trying to weld them into one of their own old races. Yet, if the Masaryk spirit of fair play and humanity prevails, the problem is not too big a one for Czechoslovakia to solve. The Welsh are not the same race as the English, yet there seems to be racial harmony in the largest of the British Isles.

THE CZECHOSLOVAK PEOPLE

Czechoslovakia is a land of great natural resources. But after all, or before all, a nation's greatest wealth is its citizens. Not fat lands, rich mines, vast forests or favorable climate constitute the fundamental strength of a nation; a nation's strength, or weakness—a nation's hope, or despair—lies in its sons and daughters. Then, what of the people of Czechoslovakia? Do these people possess the character which, above material resources, promises success for the nation? I think they do. The Czechs are physically strong and healthy. They are mentally purposeful, confident in themselves, energetic, determined, industrious. They are almost entirely without illiteracy. They are reasonably intelligent. They are willing to learn from others, especially from America and England. They are not afraid to work. The Slovaks are Czechs less developed. They have more illiterates; about 30 per cent. of the Slovaks are illiterate. Slovakia needs not only industrial and economic development, but education—and the Government is giving it education. But the basic character on which nations are built is there also. The German element—more than a fourth of the population—

should furnish value to the nation also, if the racial problem is wisely handled. The Czechoslovaks have been the work horses for Austria; now they work for themselves.

As an example of Czechoslovak energy and determination may be mentioned the building activities of the students in Prague. Prague is fearfully short of dwellings; all the new capitals are—as well as many other places. To supply quarters, 2,200 students, under the direction of architects and assisted by skilled mechanics, are erecting emergency wooden dormitories. These dormitories will house 700 students. The land is leased by the Students' Alliance from the City of Prague. It is expected that the dormitories will be entirely finished by September, which means an actual working time of seven months.

Czechoslovakia is doing other building than for students. One sees no building in Austria, and the change on entering Czechoslovakia is noticeable. The Government has been giving financial guarantees to encourage the building of dwellings. Under a guarantee of interest and amortization of capital by the Government to banks making loans to home builders, 6,000 houses have already been built. Under this plan the Government dictates the rents in order to protect its guarantees. Individuals or corporations investing in new houses for the working classes get the right to deduct from their income subject to taxation, before the tax is applied, 7 per cent. per annum of the cost of their new buildings for a period of ten years, or 70 per cent. in all. This inducement has resulted in the building of some houses, and is expected to have further results. But more ambitious is the lottery loan now being offered for subscription, the proceeds of which are to be used to finance, through the banks, the building of houses. It is hoped to raise 1,000,000,000 crowns (about \$14,285,714, at the present rate of exchange) by means of this loan. The rate of interest is to be 2 per cent. in addition to the prizes of the lottery. This loan will result in the building of a good many dwellings—far more than could be built for the same number of dollars in America. Czechoslovakia is not lying helplessly on her back, waiting for Providence to provide homes for the people.

The educational program of Czecho-

slovakia is an enlightened one. Illiteracy among the Czechs and Germans in the country is practically nil, but it is considerable among the Slovaks and (as stated above) almost general among the Ruthenians. The Czechoslovak Government realizes the necessity and the importance of education. The Government's appreciation of the necessity of a great educational program is clearly shown in the cold figures in the budget. The 1920 budget carried 198,000,000 crowns for public education; the 1921 budget carries 599,000,000 crowns for public education—three times as much as for 1920. And in the 1921 budget appears the entirely new item of 26,000,000 crowns for schools in Ruthenia. Those figures tell a story of purpose and aspiration. Dr. Alice Masaryk, the President's daughter, who, as a political prisoner, spent many months in an Austrian jail with thieves, ruffians and other common criminals, told me that during the past three years 3,000 schools had been established in Slovakia and Ruthenia. Does this not indicate that Czechoslovakia understands what are the basic, essential things of national life and progress?

The attitude of Czechoslovakia toward America is one of admiration and emulation. This new republic is grateful to the great Republic for the part America played in gaining Czechoslovak liberty and in founding the Czechoslovak State. Ex-President Wilson is still immensely popular in Czechoslovakia. The great railroad station in Prague is called the Wilson Station. Pictures and bronze medallions of Mr. Wilson are coupled with pictures and medallions of President Masaryk in offices, schools, hotel lobbies and elsewhere all over the country. The relief work conducted through the American Relief Administration has also made a deep impression. Miss Masaryk said she felt sure that, when an impartial view of the war period could be obtained, the relief activities brought about by Mr. Hoover would be rated of great historic importance, the first post-war activity of the sort in history. Dr. Hodach, whom I have quoted above, said to me concerning the relief work: "Mr. Hoover's work here not only relieved distress, not only improved the spirit of the people and stabilized conditions, but it taught us methods of work and organization, co-operation

and self-help." In fact, it is now expected that out of the organization created by the American relief will develop a permanent national institution of child welfare—a substantial, enduring result springing from an emergency action.

Dr. Dumba, formerly Austrian Ambassador to the United States, whose activities caused his dismissal before we declared war on Austria, is said to have offered recently predictions concerning the life of the new or expanded nations of Central Europe. To Rumania he granted the longest life. Poland, I think, had about five years in his opinion, and Yugoslavia about ten. Czechoslovakia, Dr. Dumba thought, might break up any time, in two or three years perhaps. Doubtless in the mind of the old Austrian the wish is father to the thought. Czechoslovakia looks good to me. I think it prom-

ises well. It has a deep racial tradition—among the Czechs—going far into the past. It has tremendous resources. It has character. It has wise statesmen. It has Masaryk—let us hope for long! I think Masaryk has builded well. Looking back on my visit to Czechoslovakia, the picture which comes most strongly to my mind is that of President Masaryk—a frail old man, not a militarist, not a demagogue, but perhaps the most generally accepted, the most unsoiled European hero of our generation—leaning from the window of the vast castle, no longer possessed by his country's oppressors, and pointing out, with love and pride, the beauties of the ancient capital city of the nation reborn, under his leadership, to a freer life. I do not think his labor is to be in vain, or his vision to be proved false.

CZECHOSLOVAKIA'S RIGHT TO STATEHOOD ASSAILED

BY ANTHONY PESSENLEHNER, LL. D.*

An extreme Hungarian view which holds that the new republic headed by President Masaryk has no valid ground for autonomous existence—An attempt to disprove its claims on historical, political, economic and ethnical grounds

HISTORIC, political, economic and even ethnographic considerations were rudely cast aside in the calling into life of Czechoslovakia, a State built upon a fictitious theory of the racial identity of the Czechs, Moravians, Slovaks and Ruthenians, the last now preferentially called Rusins by the Czechs.

To defend the existence of Czechoslovakia from a historical viewpoint is a hopeless task. There once was a Czech Kingdom, a Moravian Duchy, a no man's land in the north of Hungary sparsely populated by some Slavic tribe—not Czech and not even the ancestral line of the present Slovaks—and a mountainous country, uninhabited until the middle of the fourteenth century, now called Podkarpatska Rusinia. These are the four constituent parts of Czechoslovakia; of the four, Bohemia proper is

the only one that had known an organized state-life, a nationalistic existence. Only in the case of Bohemia proper, which was situated entirely within the confines of the late Austria, can there be any assertion of a recurrence to past history, to a revival of a State that had once been in existence and lived a national life of independence. There never was an independent country known as Moravia, Slovakia, Ruthenia, or Rusinia. There was a Bohemia

*Space is given to this Hungarian attack on Czechoslovakia for the purpose of presenting an issue which is pregnant with danger in South-eastern Europe. The editor, however, does not wish to convey either indorsement of the arguments or corroboration of the claims set forth. It may be added that the author of the article, an attorney living in Youngstown, Ohio, is a native of Hungary and received his degree from Budapest University. He also studied at Edinburgh, Scotland. After practicing his profession in Hungary he came to the United States in 1911 and became a naturalized citizen in 1919.—EDITOR CURRENT HISTORY MAGAZINE.

until the disastrous battle of the White Mountains in 1647, when the Czechs were defeated by the Austrians and their country was incorporated into the realm of the Hapsburgs.

Until a few decades ago the Czechs were quite content with their lot within the confines of Austria, being ruled over by the Hapsburg Kaiser according to his pleasure. Not only were they content with their humiliating rôle, but they proved the most zealous supporters of their overlords, as shown in the liberty war of 1848, when the Magyars, who had come under Hapsburg rule under quite different circumstances, once more asserted their national independence and waged war against the usurpers. In this noble effort to overthrow the Hapsburgs, the Magyars found themselves opposed by the Czechs, who were the most willing tools in the hands of the despot and gladly volunteered to fight the Magyars and keep their country in subjection after Russians choked the so-far-victorious revolution. It seemed as if the Czechs were afraid that the Hapsburgs might be weakened enough to restore their own (Czech) independence. Czech bureaucrats were sent to Hungary to quell the national spirit, and again Czechs were the most useful spies of the Hapsburgs against the Hungarians in the black years that followed the lost revolution.

Political history does not uphold the State known as Czechoslovakia. The parts now constituting Czechoslovakia never formed one unit and have never known a sentiment of cohesion. They were distinctly foreign and alien to each other. Bohemia lived its own life. Moravia was a Polish province. Slovakia was non-existent, its territory being under the rule of the Magyars, who occupied it as early as 896. Ruthenia also was under Magyar rule, but unpopulated, because of its barren lands and high mountains. The country known as Hungary in 896 was the same country known as Hungary in 1914, the year of the outbreak of the war, not an inch having been added to the original area by conquest or otherwise during a period of 1,000 years.

The Magyars would not object to an independent Bohemia carved out of what was formerly known as Austria, because once the Czechs did in fact own their own country and live an organized state-life. But why should the Czechs be given Slovakia and

Uhro-Rusinia, which never belonged to them, and whose populace to a large extent is opposed to incorporation into Czechoslovakia? The coup was accomplished through deliberate falsification of past history and the misleading, but a thousand times disproved, theory of the racial identity of the Czechs, the Slovaks and the Ruthenians.

When more than a thousand years ago the Magyars, by the united attacks of the Bulgars and Petchenechs, two ferocious races, were driven out of their original European settlement on the shores of the Black Sea and the lower Danube, they moved westward and organized the State of Hungary upon the shores of the Middle Danube and the Tisza. No rights of other nations were violated by this occupancy, because the land was uninhabited, a statement subscribed to by various historians and contemporaries, one of which is Alfred the Great, King of England.

In a few years the land was extended northward and westward, the Pannonian and Moravian Slavs having been incorporated into the Hungarian State. But these Slavs, not ancestors of the present Slovaks, were not annihilated or subjugated according to the rules of warfare of those times, but were absorbed into the nation, and even adopted into the Hungarian nobility. Thus they were granted the same privileges that were attendant upon being of the noble caste, while those not taken into the nobility simply shared the lot of other Magyars. Unification thus was accomplished by mutual consent, and many terms in the Hungarian language still offer proof that there was a thorough mingling and unification of the Magyars and whatever Slavs were found in the country. These Slavs spoke an entirely different language from the Czech, Slovak or Moravian of today. They populated the northwesterly part of what was Hungary before the war, and more especially the plains bordered by the present Lower Austria and by the Rivers Morva and Garam.

The mountainous part of Northwestern Hungary was a dividing territory between Hungary and Poland, and, at the beginning of the eleventh century, between the newly created Moravian and Polish duchies. The Czechs had nothing to do with this territory, because their country was situated further west and north, and did not reach so far

south and east. Czechs began to appear in this part of Europe in the fifteenth century, when the followers of John Huss, and later the unscrupulous leader Giskra, distinguished themselves by wholesale plunder.

In later times, when family ties were established between the Moravian and Polish Dukes and the Hungarian reigning dynasty—then purely Magyar and lineal descendants of the clan of Arpad, conqueror of the land—there was no need for a protective corridor in these mountainous and wooded northwesterly parts, and colonization began. Germans and later the White-Croatians—ancestors of our present-day Slovaks—were settled and commissioned to clear the forests and make the country more apt for cultivation. This happened at about the eleventh century, and this accounts for the nomenclature applied to hamlets and towns, most of them ending in what would be the equivalent of "cut" (cutting the forests) in English.

The Ruthenians in the territory now called Podkarpatska Rusinia by the Czechs, immigrated in the fifteenth century. From the neighboring country, called Red Russia (in a different sense from our present Red Russia), the people were granted the privilege to pasture their cattle on this territory; but, later, the Hungarian King came to the conclusion that a colonized country would yield greater revenues, and the same process ensued that was previously witnessed in the northwestern regions of the country. Thus neither the Slovaks nor the Ruthenians, much less the Czechs, were aborigines in the part of Hungary now known as Slovakia. The immediate predecessors of the Slovaks, the Pannonian Slavs, were living further south under Svatopluk, and gave up their claims to the land so soon as Arpad and his Hungarian warriors appeared. Indeed, it was a bloodless conquest, since these Slavs offered no resistance, but received the Hungarians as their superiors, offering them earth, grass and water as symbols of submission.

This is the plain truth about the national and political history of the territory now included in the realm of the Czechs as Slovakia and Podkarpatska Rusinia. The Slovaks and Ruthenians were only immigrants, and the Czechs were not even that. No organized State life existed upon these territories before the Hungarian State was

called into existence and welded them into the dominion of the Kings of Hungary. Nothing was destroyed or taken away by the rule of the Hungarians, but things were created instead. This fact is attested by several authorities of non-Hungarian origin, including the American, the Rev. B. F. Tefft, D. D.; Professor N. S. Shaler of Harvard University, F. D. Millet; the English authors, Knatchbull-Huggessen, Kellner, W. B. Forster Borill, Charles Proxton, &c.

From an ethnographic viewpoint, likewise, there is no foundation for Czechoslovakia. The Czechs, Moravians, Slovaks and Ruthenians are undeniably closely related, but so are all Slavs. If these four branches of the Slav family had to be united, the question can be asked, Why not unite the whole of Slavdom and make one country of the Russians, Poles, Ukrainians, and the rest of the numberless branches of the Slavs? Even if there were an indisputable ethnographic bond uniting the Slavs in Czechoslovakia, are ethnic considerations supreme, and should history, past national existence, geography, economics, political constellations, recognized as just and desirable for ten centuries, all defer to one principle arbitrarily chosen and defensible only on very weak ground?

Economic conditions are such in Slovakia that the country is dependent on Hungary for its livelihood. Slovaks furnish the timber needed in Hungary, while in times of harvest a multitude of Slovaks used to descend to the Hungarian plains and furnish a large quota of the necessary hands to reap the harvest. Because of the new alignment, this is brought to an end; consequently the Slovaks, in a large measure, are deprived of their livelihood. The rivers of Slovakia empty into the Danube, which offers the natural waterway, together with the Tisza, of the geographical entity known as Hungary, as it was before the war. Through severance of railroad trunk lines the whole transportation system of Hungary is badly crippled, and Slovakia suffers in equal measure. In short, not only Hungary but also Slovakia is hopelessly mutilated in an economic sense for no reason but to honor the wish of the Czechs.

On top of this there are grave signs that the Slovaks and Ruthenians do not wish to be included in the Czechoslovak State. The promise was made to them, through the

medium of so-called plebiscites in America, that they were to be granted self-determination; but when it came to fulfilling this promise all sorts of excuses were resorted to. Now both the Slovaks and Ruthenians, wishing to avoid utter destruction, clamor for autonomy—within Czechoslovakia, if it must be; but even this is considered dangerous to Czech interests. Of course, the Peace Council has acted, and now no agreement is deemed binding any more.

Neither the Slovaks nor the Ruthenians ever dreamed of secession from the Hungarian State. The first sign of any separatist consideration for the Slovaks was offered in 1848, when the Hapsburg dynasty sought aid against the victorious Hungarians among Hungary's nationalities. A certain Hurban then offered a memorandum to Emperor Francis Joseph in which some linguistic privileges were embodied. Upon this, some paid agents of the blind Austrian camarilla started agitation among the Slovaks for a Russian orientation under the pretext of unifying all Slavs. This was a failure and did not meet with the approval of the conscious leaders or of the masses of the Slovak people. New channels of interest had to be opened, and upon the leadership of Masaryk, now President of Czechoslovakia, agitation toward an alignment with Bohemia was initiated, Dr. Srobar having been its sponsor in Slovakia.

There was a small group who subscribed to this plan, but in the main the Slovak people were against it, and even among the leaders there was no consent. The more weighty spokesmen of the Slovaks wished some special recognition in the form of unlimited and official use of the Slovak language, but unequivocally declared that they wished to remain with Hungary. A general European conflagration had to be brought about to realize the dreams of a few office seekers. The masses of the Slovak people remained loyal to Hungary, contrary to the manifestations of the Czechs, who committed wholesale desertions in the war. Srobar was appointed dictator of Slovakia after the conclusion of peace, but he lost even the limited confidence he enjoyed in Slovakia and had to resign. The resignation of Srobar can well be taken as proof that his Czech sympathies lacked support in Slovakia.

The Ruthenians were always loyal subjects of Hungary. In the time of the liberty war by Francis Rakoczi II. they furnished his most dependable soldiers; he called them "the most loyal race." Now these Ruthenians are surprised to find that they are wanted to form part of the Czech Empire. In their predicament, knowing, as the Slovaks do, that they can hope for nothing better, they wish at least autonomous self-government. Like the Slovaks, they are between the devil and the deep sea.

SPAIN'S MINISTERIAL DIFFICULTIES

[PERIOD ENDED JULY 10, 1921]

MINISTERIAL dissensions began to manifest themselves on July 4, and Manuel Arguelles, the Minister of Finance, resigned, insisting that the new tariff, which went into effect on May 19, and the commercial treaties were prejudicial to the interests of labor. The revised tariff did away with cases of most favored nations, and was of a provisional character, pending a new commercial treaty or a *modus vivendi* to be negotiated in each case. The next day the rest of the Cabinet joined Arguelles, but the King called Señor Allende Salazar to the Palace, and, by his arguments, they all consented to remain, save the Minister of Finance, whose portfolio was immediately taken by Marino Ordóñez.

Spain badly needs a new division in her Moroccan campaign, but the War Minister dares not ask for it. General Berenquer reports that, despite a reverse on June 7, he is continuing his march on Alhucemas.

Spain has lodged a note of protest at Paris. Before the war the Sultan of Morocco had granted a concession at the Port of Tangier to an international corporation identified with Spanish, British, German, and Austrian interests. The enemy alien interests were ceded by the Versailles and St. Germain treaties to France. They represent 53 per cent. of the stock, while only 20 per cent. is held by Spain, who thinks she should have had the right to acquire the 53 per cent. Hence the protest.

THE BRITISH IMPERIAL CONFERENCE

*Great problems of the Empire discussed by British and Colonial statesmen in London—
The Dominions gain an unprecedented share of power in directing imperial policy—
Anglo-Japanese alliance freely discussed and "automatically extended" for one year*

[PERIOD ENDED JULY 10, 1921]

A CONFERENCE characterized as momentous beyond precedent in its bearing on the welfare and unity of the British Empire was opened at noon in the official residence of the Prime Minister in Downing Street, London, on June 20. The entire absence of spectacular features lent color to the conviction that the leading British and Colonial statesmen had gathered for the discussion of problems of supreme importance not only to the British Empire, but to the whole world. This seemed to be the impression upon the crowd in Whitehall watching the arrival of the Colonial delegates, who, in turn, were received by Messrs. Lloyd George, E. S. Montagu, Austen Chamberlain, Winston Churchill and A. J. Balfour. The delegates were:

South Africa—General Smuts, Prime Minister; Sir Thomas W. Smart, Minister of Agriculture; Colonel Mentz, Minister of Defense.

Canada—Arthur Meighen, Prime Minister.

Australia—W. M. Hughes, Prime Minister.

New Zealand—W. F. Massey, Prime Minister.

India—Maharaja of Cutch and Irimvass Gaitre.

At this great historic meeting Premier Lloyd George welcomed the delegates in a notable inaugural speech. It was especially marked by his declaration that friendly co-operation with the United States was a cardinal principle of empire policy. "We are ready," he declared, "to discuss with American statesmen any proposal for the limitation of armaments which they wish to set out, and we can undertake that no such overtures will find lack of willingness on our part to meet them."

Turning by implication to the Japanese Alliance, the Premier praised the loyalty of Japan in the war and said it was desired to preserve that "well-tryed friendship which has stood us both in good stead, and to apply it to the solution of all questions in the Far East, where Japan has special

interests and where we ourselves, like the United States, desire equal opportunities and the open door." With regard to Colonial relations Mr. Lloyd George remarked that there was a time when Downing Street controlled the empire, but now the empire had charge of Downing Street. The Dominions, as signatories of the Treaty of Versailles and members of the League of Nations, had achieved full national status. Any suggestions from them concerning the foreign policy of the empire, therefore, would receive a full measure of welcome. India had also proved her right to a new status in the councils of the British Commonwealth.

The meeting of June 21 was made memorable by speeches from Jan Christian Smuts of South Africa and Premier Hughes of Australia. Both urged the conference to invite America and Japan to discuss limitation of naval armaments; the storm centre of the world, they agreed, was now in the Pacific. The two statesmen, however, seemed to be divided on the question of renewal of the Anglo-Japanese Alliance. While Premier Smuts came out strongly against the treaty, and was supported by Premier Meighen of Canada, Premier Hughes was, broadly speaking, in favor of it, finding a sympathetic follower in Premier Massey of New Zealand. But the Australian Premier was not oblivious to difficulties, the chief of which was the attitude of America toward the treaty.

I am sure I state the opinion of Australia [he said] when I say her people have a very warm corner in their hearts for America. They see in America today what they themselves hope to be in the future. We have a country very similar in extent and resources, and it may be laid down as a *sine qua non* that any future treaty with Japan to be satisfactory to Australia must specifically exclude the possibility of war with the United States of America. It ought to do this specifically, but if not specifically then

by implication so clear and unmistakable that he who runs may read. * * * In any future treaty we must guard against even a suspicion of hostility or unfriendliness to the United States.

Premier Meighen of Canada on June 27 presented to the conference what was in effect a declaration of Dominion rights in relation to the foreign affairs of the empire. Although the speech and the discussions which ensued were not made public, it was understood that the four cardinal points of the declaration were as follows:

1. That on all questions of foreign policy which more directly concern the British Government, such as matters arising in connection with Palestine, Mesopotamia and the Middle East, the Governments of the Dominions should be kept thoroughly and constantly informed.

2. That upon all questions of foreign policy affecting the empire as a whole the Dominion Governments must be consulted.

3. That the British Government should enter into no treaties or special alliances without consultation with and the advice of the Dominions, and that all such treaties, even when entered into, should be subject to the approval of the Dominion Parliaments.

4. That upon all questions arising as between the United States and Canada the advice of the Dominion Government must be accepted as final.

On the 28th the subject of the Anglo-Japanese Alliance was taken up by the Imperial Conference. Lord Curzon, Foreign Secretary, explained all the aspects of the alliance without attempting to influence the Colonial Premiers in either direction. Later Mr. Balfour, Lord President of the Council, urged the necessity of bringing the alliance into harmony with the League of Nations' requirements, rather than insisting upon any special British interests or emphasizing its imperial aspect. At an afternoon session the Premiers discussed the question of immigration within the empire and the best means of keeping desirable British emigrants within its confines. A committee was appointed to go further into the matter.

The Anglo-Japanese Alliance was again the principal topic on June 30. Little of note, however, was disclosed except that the Maharaja of Cutch, representing India, caused a surprise by protesting against the clause in the treaty which provided that in case India was attacked Japan should come to her assistance. The Indian delegation, he said, was of opinion that England and India should be able to protect India without the assistance of any allies.

At the session of July 1 all the Premiers of the British Dominions again gave their views on the Anglo-Japanese Alliance, but the utmost secrecy enveloped the proceedings. All that the public was allowed to know was that there had been a general agreement on the need of delay in renewing the treaty. The mental fog that enveloped the subject was finally cleared away on July 3 by the announcement of a decision of the Lord Chancellor that the Anglo-Japanese Treaty had not been denounced by the note sent to the League of Nations last July, and that, therefore, even if it were now denounced on July 15, it would run automatically for another year. This decision was held as greatly simplifying matters by giving ample time for the Dominions to reach definite conclusions. It avoided an embarrassing situation, as there would not have been time for a thorough discussion before July 15, when the period of the treaty ended.

On July 6 the conference grappled with the problem of German reparations, the task being to fix a basis upon which the amount to be collected by the empire shall be apportioned to its different parts. While no decision was reached it was understood as not improbable that the amounts would be determined by each country's war expenditure and number of casualties. If adopted this plan would assure to Canada a fair share of whatever sums were paid over in recognition of her heavy sacrifices in both blood and treasure.

In the industrial field the collapse of the costly and prolonged strike of the coal miners came after a hopeless effort to bring on a general "down tools" movement of all labor. They got only a vote of sympathy from the other unions. As their funds were exhausted, the miners' representatives made terms with the Government on June 28, on the basis of the public grant of £10,000,000. The final settlement was a compromise. While the miners agreed to drop their demand for class privilege, the standard wage was fixed at 20 per cent. above the pre-war rate, which, it was generally admitted, had been inhumanly low. An arrangement was also entered into by which labor shared in the profits of the mines, receiving 83 per cent. to the owners' 17 per cent., the owners receiving the balancing concession of the Government grant of £10,000,000.

A TRUCE IN THE IRISH WARFARE

King George's appeal for peace at the opening of the Ulster Parliament leads to concerted efforts for a settlement in the South of Ireland—De Valera's acceptance of Lloyd George's invitation to a peace conference brings an end to the fighting

[PERIOD ENDED JULY 10, 1921]

THAT June 22, 1921, may come to be regarded as one of the happiest dates in Irish history was generally conceded in both Ireland and England, not alone on account of the hearty welcome extended that day to King George and Queen Mary in Belfast at the royal opening of the Ulster Parliament, but because of the effect of the King's speech for peace. Concerning this effort, Premier Lloyd George subsequently declared in the House of Commons: "Never has the Throne rendered a greater or finer service to the empire." Surrounded by statesmen and officers in brilliant uniforms and by heralds and Court officials garbed with Old World pomp, King George addressed the Speaker of the new Northern Parliament and representatives of men who had threatened a few years ago to plunge Ireland into civil war rather than submit to the south. In moving words he appealed to them to make the grant of self-government to the six counties the stepping stone to a settlement of "the age-long Irish problems affecting the whole English-speaking world." He pointed out that self-government had been granted to South Africa, a country also divided by race and religion. Then, with a voice full of feeling and earnestness, he went on:

I am emboldened by that to look beyond the sorrow and anxiety which have clouded of late my vision of Irish affairs. I speak from a full heart when I pray that my coming to Ireland today may prove to be the first step toward the end of strife among her people whatever their race or creed. In that hope I appeal to all Irishmen to pause, to stretch out the hand of forbearance and conciliation, to forgive and to forget, and to join in making for the land which they love a new era of peace, contentment and goodwill.

Premier Lloyd George on June 24 followed up the manifestly favorable effect of King George's speech by a personal letter of invitation to Eamon de Valera to come to London with any colleague he might se-

lect to attend a conference with the British Government and Sir James Craig, Premier of Ulster. The letter read:

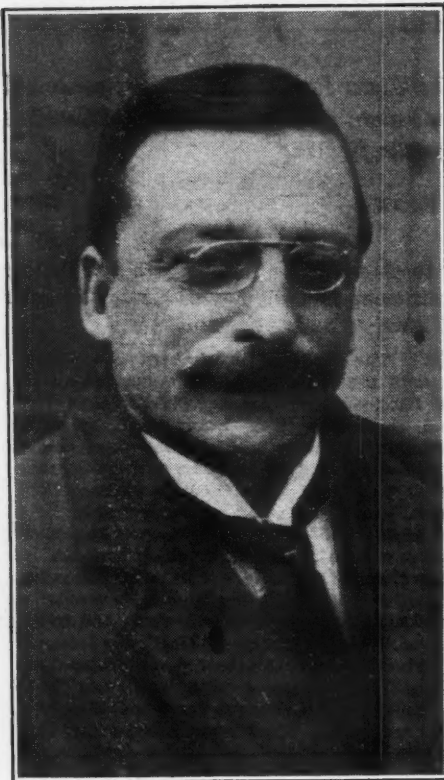
Sir: The British Government are deeply anxious that, so far as they can assure it, the King's appeal for reconciliation in Ireland shall not have been made in vain. Rather than allow yet another opportunity of settlement in Ireland to be cast aside, they feel it incumbent upon them to make a final appeal in the spirit of the King's words for a conference between themselves and representatives of Southern and Northern Ireland.

I write therefore to convey the following invitation to you as the chosen leader of a great majority in Southern Ireland and to Sir James Craig, Premier of Northern Ireland: (1) That you should attend a conference here in London in company with Sir James Craig to explore to the utmost the possibility of a settlement. (2) That you should bring with you for the purpose any colleague whom you may select. The Government will, of course, give safe conduct to all who may be chosen to participate in the conference.

We make this invitation with the fervent desire to end the ruinous conflict which has for centuries divided Ireland and embittered the relations of the peoples of these two islands, who ought to live in neighborly harmony with each other and whose co-operation would mean so much, not only to the empire but to humanity. We wish that no endeavor should be lacking on our part to realize the King's prayer, and we ask you to meet us, as we will meet you, in the spirit of conciliation for which his Majesty appealed.

D. LLOYD GEORGE.

This move on the part of the British Premier was warmly approved by the majority of the London press as a logical sequel to the King's generous appeal. The London Times declared that the hour of peace had struck for Ireland, and The Daily News remarked that the Government, having made the offer "in the name of the British people, on the constitutional initiative of the King and in the presence of the Dominion Prime Ministers," was responsible to these as well as to Ireland "for vigorous, candid and effective prosecution of the new policy." In Dublin The Freeman's Journal,



(International)

ARTHUR GRIFFITH
*Founder of the Sinn Fein and Vice President
 of the "Irish Republic"*

commenting on the invitation, said: "The Premier has gone further than he or his colleagues ever have gone in public. Mr. Lloyd George has at last seen the wisdom of dispensing with conditions and restrictions which hitherto have proved insuperable barriers to negotiations." In general it was seen that the next move lay with the Sinn Fein leaders.

Mr. de Valera sent the following telegram to Mr. Lloyd George on June 28:

I have received your letter. I am in consultation with such of the principal representatives of our nation as are available. We most earnestly desire to help in bringing about a lasting peace between the peoples of these two islands, but see no avenue by which it can be reached if you deny Ireland's essential unity and set aside the principle of national self-determination. Before replying more fully to your letter I am seeking a conference with certain representatives of the political minority in this country.

At the same time Mr. de Valera dis-

patched a letter to Sir James Craig, Ulster Premier; Earl Midleton, anti-partisan Southern Unionist; Sir Maurice Dockrell, Sir Robert Woods and Andrew Jameson, Southern Senator. The letter read:

The reply which I as the spokesman for the Irish Nation shall make to Mr. Lloyd George will affect the lives and futures of the political minority in this island no less than those of the majority. Before sending my reply, therefore, I would like to confer with you and to learn from you at first hand the views of certain sections of our peoples of whom you are the representative. I am confident you will not refuse this service to Ireland, and I shall await you at Mansion House,



(Wide World Photo)

EAMON DE VALERA
President of the "Irish Republic"

Dublin, on Monday next in the hope that you will find it possible to attend.

A mistake in delivering the letter intended for Sir James Craig led to his being compelled to decline Mr. de Valera's invitation, as he had already telegraphed acceptance of the Prime Minister's invitation to the London conference.

In order that the Irish leaders might have free intercourse to discuss the situation at the forthcoming Dublin conference on July

4, the British Government on June 30 released from prison Arthur Griffith, M. P., Vice President and founder of the Sinn Fein; Professor John MacNeill, M. P., member of the Cabinet of the Dail Eireann; E. Duggan, M. P. for Dublin City, and Michael Staines, M. P. for South Meath. Subsequently the released members of Parliament met Eamon de Valera in private consultation.

The Mansion House meeting on July 4 between Sinn Fein leaders and representatives of Southern Unionists was made the occasion of a popular demonstration. Large crowds assembled with eager expectancy. An auspicious omen was seen in the numerous American flags flying throughout the city. De Valera arrived first in a taxi and received a great ovation. Sir Maurice Dockrell, the popular Unionist member for Rathmines, came next, and was followed by Arthur Griffith. Both were greeted with cheers and by countless little American flags. Sir Robert Woods, independent member for Dublin University and famous surgeon, followed. Then Lord Midleton and Andrew Jameson appeared. A remarkable feature in the reception was the warm greeting bestowed on the Unionist delegates, who were manifestly affected. The Northern Parliament was not represented.

Lord Midleton at this meeting demanded the release of the recently kidnapped Lord Bandon, and de Valera promised to do his best. Lord Midleton also made general claims for minority representation in any Irish Parliament to be set up. At the close of the meeting a brief report was issued, of hopeful import.

General Jan Christian Smuts, Premier of South Africa, arrived in Dublin on July 5 as an unofficial peace emissary. During the day he conferred with Lord Mayor O'Neill, Eamon de Valera and Arthur Griffith. Premier Smuts was back again in London the following morning to breakfast with Mr. Lloyd George, and the same evening, in speaking at a dinner, he said that the Irish problem was soluble and peace could be won if all worked for it. By way of a successful illustration General Smuts added:

If ever this problem of the subjection of one people to another presented a hopeless view it was in South Africa. But finally, in a spirit of give and take, forbearance and trying to render something to the point of view of the other side, we solved the prob-

lem, and today South Africa is one of the happiest countries in the empire. Our forbearance and self-sacrifice have paid us handsome dividends in our national life.

Meanwhile conferences were taking place in London between Premier Lloyd George, Lord Midleton and Sir James Craig. A Government report on the 7th and the Irish Bulletin, organ of the Dail Eireann, however, agreed that little if any cessation of fighting had taken place since Mr. Lloyd George's invitation to Mr. de Valera. The Government report stated that for the week following Lloyd George's letter the Crown casualties totaled forty, which, however, was below the average for the weeks preceding. The Irish Bulletin said that during the twelve days which had elapsed since the letter was dispatched regular warfare had continued, and added: "Other forms of military terror are in full blast." The Bulletin printed a list of 14 murders, 14 persons wounded and 10 properties destroyed between June 24 and July 26.

The second meeting of the four Southern Unionists—Midleton, Woods, Jameson and Dockrell—with the Sinn Fein leaders de Valera and Griffith, began at 11 A. M., July 8, in the Dublin Mansion House under intensely dramatic circumstances. A large



(© Keystone View Co.)

LIEUT. GEN. SIR NEVIL MACREADY
*Commander-in-Chief of British military forces
in Ireland*

crowd had gathered in the vicinity to cheer the arrival of both Sinn Fein and Unionist delegates, but the lightheartedness of Monday had given place to a deep anxiety. During the long hours of waiting many knelt on the gravel and recited the rosary. Even the singing of patriotic songs at intervals was not as enthusiastic as on Monday, so gravely did some regard the day's proceedings.

About 1 o'clock the Lord Mayor appeared, but would say nothing. An adjournment was taken until 4 o'clock. When the delegates returned at that hour it was plain there was an awful seriousness in what seemed to be their determination to go through with this far-reaching attempt at a settlement. At 6 P. M. General Macready, commander of the British forces in Ireland, arrived and was greeted with a remarkable demonstration. Met by the Lord Mayor, the distinguished officer saluted. Being himself saluted by the officer in charge of the Irish Volunteers, he acknowledged the courtesy in military fashion amid the enthusiastic cheers of the expectant multitude. The conference closed at 8 o'clock. An hour later a letter from de Valera accepting Lloyd George's invitation to a conference in London was made public. Thereupon the waiting crowd melted away in peaceful order and apparent relief. The text of Mr. de Valera's letter as given out in London was as follows:

Sir: The desire you expressed on the part of the British Government to end the centuries of conflict between the peoples of these two islands, and to establish relations of

neighborly harmony, is the genuine desire of the people of Ireland.

I have consulted with my colleagues and received the views of the representatives of the minority of our nation in regard to the invitation you have sent me. In reply I desire to say that I am ready to meet and discuss with you on what basis such a conference as that proposed can reasonably hope to achieve the object desired. EAMON DE VALERA.

At the same time a British official statement was issued from Downing Street which read: "In accordance with the Prime Minister's offer and Mr. de Valera's reply, arrangements are being made for hostilities to cease from Monday next, July 11, at noon." Thus the peace negotiations had reached the stage of a truce. It transpired later that when Lord Middleton had returned to Ireland after seeing Mr. Lloyd George he had taken back a letter from the Prime Minister dated July 7 and containing this passage:

As soon as we hear that Mr. de Valera is prepared to enter into a conference with the British Government and to give instructions to those under his control to cease from all acts of violence, we should give instructions to the troops and to the police to suspend active operations against those who are engaged in this unfortunate conflict.

This letter had been read by Lord Middleton at a conference of the Sinn Fein leaders, and had had the result of bringing about de Valera's acceptance of the invitation to take part in the proposed conference in London. Thus, with a cessation of fighting in sight, the situation was generally regarded as auspicious for ultimate peace.

BRITAIN'S BLINDED WARRIORS

IN the sixth annual report of St. Dunstan's Hostel for Blinded Sailors and Soldiers, issued on May 16, 1921, Sir Arthur Pearson, head of that English institution, gave interesting facts concerning the blinded men who had passed through St. Dunstan's and are now earning their living in the most distant parts of the empire, "beyond the Rocky Mountains and in Canada, out in the Australian and New Zealand bush, and on the South African veld." The report says:

A man does not leave St. Dunstan's in the sense that a graduate leaves a university. And though it requires a big organization to keep in touch with the blinded soldiers in this country alone, every one will realize how heartening it is to them to feel that they are

still St. Dunstaners and assured of an active interest in all that concerns their comfort and prosperity. The essential training is only the first step in the duty we have undertaken to lighten the loss which it has fallen to these men to bear throughout their lives. We set them up in their chosen occupations, and from that time on our purpose is to do everything possible to help them in the effort to overcome their handicap. St. Dunstan's has always been a cheery place, but those who have still to complete their training—now at our new headquarters—certainly must be stimulated by the knowledge that the men who have made their fresh start are going on unfalteringly. The blinded soldiers are not only busily at work, not only making some remarkable successes in an extraordinarily wide variety of occupations, but are carrying on with the same resolution with which they set out.

CANADA AND OTHER BRITISH DOMINIONS

How the farmers triumphed in the Federal by-election held in Alberta—Prohibition drawn tighter for Ontario—Australia's census shows a population of 5,419,702—New Zealand's restrictions on exports

[PERIOD ENDED JULY 10, 1921]

IT is a long time since a Federal by-election in Canada has created such an impression as did the one held on June 27 for the riding of Medicine Hat, Alberta. The death of the Hon. A. L. Sifton, a member of the Unionist Government, necessitated the contest. Robert Gardiner, the candidate of the National Progressive Party, was returned with a majority of 9,749 over the Government candidate, Colonel Nelson Spencer. The National Progressive Party is a very small group in the Commons, led by the Hon. T. A. Crerar, formerly in the Union Cabinet, now the recognized political head of the various farmer political groups in the Western provinces, which aim to do in the sphere of Federal politics what has been accomplished by their fellow-agriculturists in Ontario. Crerar, who is a strong advocate of freer trade with the United States, took a prominent part in the by-election. The fight of the farmers was made chiefly on what is known as the grain inquiry—the investigation by a Government commission into the handling of grain at the elevators and other points, especially in the West. The argument was that the inquiry was in reality an attempt to discredit the co-operative movements of the various organizations of Western farmers who have gone in for this method of handling the business of their own industry. It was accentuated by the obtaining of an injunction restraining the continuation of the inquiry, pending a ruling on questions of jurisdiction.

It is probable that in the inmost governmental circles defeat was anticipated in Medicine Hat, but not to the extent recorded. Naturally the farmers' organizations are jubilant over the result. Newspapers which support the Liberal Party are inclined to the view that the by-election promises well for that party at the next general election. The farmers themselves are con-

fident that it is a forerunner of a farmers' group as the dominant body in the next Dominion Parliament. So far as is known, Premier Meighen, who is attending the imperial conference of Premiers in London, will not hasten a general election as the result of the Medicine Hat contest.

A painful sensation has been caused by the evidence so far adduced at the inquiry by a Government Commissioner—G. T. Clarkson—into alleged frauds in connection with sterling exchange, and involving a branch of the Militia Department. It remains to be seen whether there was deliberate inside assistance for the perpetrators of the fraud, or merely gross official negligence. The frauds were carried on under the operation of an Order in Council providing for the payment at par of accumulated pay and allowances in sterling of officers and men on overseas service. It is alleged that many people who were in no way connected with the forces have been getting English money exchanged at par under various pretexts, and making very handsome profits. One of the witnesses declared that he had been involved with a former member of the Ottawa police force in the matter, and that the policeman had cleared out after making more than \$14,000 net profit. Another said he knew a man who had kept £1,000 in circulation by ingenious methods, and had it changed at par on several occasions. The inquiry is proceeding.

Ontario became as bone dry as law can make it on July 19, when the Dominion enactment forbidding the importation of intoxicants as a beverage went into effect, as well as a provincial measure known as the Sandy bill. The latter is for the prevention of "short circuiting"—the ordering of liquor outside of Ontario and its delivery from distilleries which are still allowed to make

it for export trade. In addition to these two measures, the Ontario Temperance act is also enforced, and it is as stringent a prohibition law as a province can enact under the Canadian system of government.

AUSTRALIA—The Australian census figures show that the Commonwealth has a population of 5,419,702, an increase of 970,000 over 1911. The males outnumber the females by about 83,000. * * * Customs revenue for the year ended June 30 constitutes a record, amounting to \$160,000,000, or \$30,000,000 above the estimates. Since the new fiscal year, however, imports have begun to decline. * * * The Australian House of Representatives on July 6 passed a bill exempting British newsprint paper from duty, but placing a duty of £3 a ton on newsprint from other countries. * * * Many mining companies in Australia have been compelled to suspend operations, costs of production being out of all proportion to market prices. * * * The Parliamentary Labor Party of New South Wales is urging a bill providing endowment for motherhood by which widowed mothers would receive a pension of \$2.50 a week and parents in receipt of an income of \$45.50 will receive an endowment of \$1.50 for each child under 14 years of age after the first two.

NEW ZEALAND—W. F. Massey, Premier of New Zealand, who went to London for the Imperial Conference, in an interview on June 17 concerning trade with the United States said that certain conditions left by the war made restrictions upon exports necessary in order to safeguard permanent interests. The country, for instance, had refused permission to the Armours to erect storage plants there and required them to give an undertaking not to send any New Zealand carcasses to the British market, as a condition of being allowed to export to America. It was discovered that a large proportion of the meat they exported to America was not placed on the American market, but was shipped to Great Britain, where it naturally came into competition with meat sent direct from New Zealand. "This may be good business for the meat trust," said Mr. Massey, "but

is of no use for the New Zealand producer." * * * Over one-fourth of the babies born in New Zealand, of well-to-do as well as poor parents, are reached by the infant welfare measures in force in that country. In forty-five years the infant mortality rate has been more than cut in half, until now it is the lowest rate of any country in the world.

EGYPT—The disturbances in Cairo and Alexandria, in which a number of natives and Europeans were killed, as related in *CURRENT HISTORY* for July, are regarded in Egypt as a blow to the Milner project. It is generally considered there that the arrangements for the protection of Europeans in Egypt are not of much practical utility and that very stringent new measures will have to be made to satisfy the demands of France, Italy and Greece. * * * Mahomed Fahmy, a leader of the "Young Egyptians," has written to the Council of the League of Nations, according to a Geneva dispatch of June 23, asking it to mediate between Egypt and Great Britain and assure independence to the Valley of the Nile.

SOUTH AFRICA—A native African religious sect which calls itself Israelites, and which follows a prophet named Enoch, refused to evacuate Government land at Bulhoek, near Queenstown; it was forcibly ejected, losing 171 killed and 126 wounded in a fight with mounted Cape Colony police. For some years the Government had allowed the members to celebrate the "Passover" on a common, but each year a growing number remained behind, until a village of some 350 huts had sprung up. The sect refused to recognize any authority or to withdraw. A force of 800 mounted police started to evict them, and about 4,000 of the natives charged the police with swords and assegais. After the slaughter, the prophet Enoch surrendered and the village was ordered demolished. * * * Influenza is sweeping through the Eastern Provinces of Cape Colony, claiming thousands of victims. It was most virulent at Uitenhage, 20 miles northwest of Port Elizabeth.

GREAT ISSUES THAT DISTURB FRANCE

How the rift in her relations with Great Britain is widened by the different attitudes of the two nations toward Germany, Russia and Turkey—Difficulties of reconstruction in the devastated areas—A tragic mistake in a military execution

[PERIOD ENDED JULY 16, 1921]

ANDRE TARDIEU, former French High Commissioner to the United States, and one of the most prominent opponents in France of the policy of conciliation to Germany, recorded in June his belief that Anglo-French relations were "just emerging from a serious crisis." That there has been a crisis—or, rather, a series of crises—all international observers have easily divined. The occasion for conflict has always been the same since the signing of the armistice—namely, the sharp divergence between the foreign policies of the respective nations, particularly in regard to Russia, Germany and the Near East.

One of the first things the French Government did, on learning of the decision in the British Courts that Soviet gold and property sent to England for trade purposes could not be attached, was to send to the British Foreign Office France's express reservations of all the rights of her nationals in regard to debts left by the Czarist régime and also regarding property sequestered by the Bolsheviki when they took power. France has never been a party to the Anglo-Soviet trade treaty, of which the French leaders heartily disapproved. The French attitude, like that of the United States, has been consistent and unchangeable; the foreign policy of the Soviet régime was double-faced and treacherous; it offered treaties of commerce and pursued plans to overthrow the Government of the other contracting nation; it repudiated Russia's honorable debts; it used stolen gold and property to renew its commerce. There is little doubt that Lloyd George's insistence in pushing through the trade agreement with Moscow, sterile, so far, in all practical consequences, had a bad psychological reaction in France, combined as it was with French resentment over Great Britain's fa-

voring attitude to Germany regarding the fulfillment of the Versailles Treaty.

The policy of the Government toward Germany has been determined by the concessions made by Premier Briand in the last London conference of the allied Premiers, in which he met, as far as possible, the desires of his English colleagues for a workable solution of the reparations problem. In this new policy of conciliation Briand has had the confidence of the French Chamber, but it is not too much to say that both the Premier and his policy have many bitter and unwearying enemies in France. These enemies, who include such distinguished personages as former President Poincaré and André Tardieu, are openly skeptical of the Premier's public expressions of confidence in the new German Government headed by Dr. Wirth. Although this element took note of the expressions of goodwill and pledges to fulfill promises made both by Dr. Wirth and Foreign Minister Rathenau, they held that various acts of the German Government seemed to be inconsistent with this avowed attitude.

One of these acts, they held, was the German Government's claiming all Upper Silesia, in spite of the provisions of the Versailles Treaty stipulating that Upper Silesia should be divided between the German and Polish populations according to communes, as determined by a plebiscite vote. They further pointed out that, though Dr. Wirth has promised to expel the German troops of General Hoefler still in this territory, his Government was itself responsible for recruiting and munitioning Hoefler's troops. Other inconsistencies pointed out were the failure of the Leipzig tribunal to mete out any adequate punishment to the German war criminals, despite the Berlin Government's assurance of its

desire to secure verdicts according to the evidence. This failure so incensed the French Government that it withdrew its Leipzig Commission. (See Germany.)

In Upper Silesia the British made common cause with the German element against the Polish insurgent leader Korfanty, whereas the French attitude was inclined to favor the Poles, with whom France has a protective alliance. France has consistently maintained that the rich mining districts of Upper Silesia, which fell in the main to the Poles under the plebiscite, should be assigned to them. The British, backed by the Italians, are considering other factors, notably the complication of the vote, which was bizarrely intermingled between city and country districts.

In the Near East, also, the French and British plans have sharply clashed. The visit of Earl Curzon, British Foreign Minister, to Paris around the middle of June resulted in a decision to offer Greece allied intervention between her and the Angora Government. The latest developments in the Turkish situation, however, up to the time when these pages went to press, indicated that the British were inclining to back the Greeks against the Nationalist Turks of Mustapha Kemal Pasha, who was reported to be preparing for an attack upon Constantinople, now held by an interallied régime. The British, naturally, wished the French to join with them against the Turkish Nationalist leader. The French, however, who have been charged with being pro-Turkish, insist that they are war weary and wish to effect peace in the Near East. M. Briand stated this emphatically in the French Chamber on June 17, but refused to discuss the Government's plans.

The announcement made by Winston Churchill, British Colonial Secretary, in Parliament on June 14 of British plans for the establishment of Mesopotamia under the kingship of Emir Feisal, and of Transjordan, contiguous to French Syria, under the rule of Feisal's brother, came as a shock to the French political leaders. The French press denounced the scheme as a new British attempt to play the Arabs off against the Turks. It will be recalled that the French deposed Emir Feisal as King of Syria only last year, alleging that he had planned and tried to drive the French into the sea, and that the forces of Ger-

eral Gouraud expelled him from his new kingdom. The proposal, on this ground alone, was bitter to French pride, and the further project of elevating Feisal's brother to a kingdom side by side with French Syria could cause them nothing but alarm.

M. Barthou, the Minister of War, returned to Paris on June 5 from a week's visit to the Rhine occupation area, where he had made a detailed study of the moral and material conditions prevailing among the forces—some 130,000—guarding the French zone. In view of Germany's unmistakable efforts to fulfill the new agreements, said Minister Barthou, it had been decided to demobilize the entire Class 19 of recruits, beginning with the fathers of families, the sons of widows, and students. The Minister of Public Instruction at once took active steps to facilitate the taking of the July examinations for these returning soldier-students. It was hoped to return the peasant soldiers to their land in time for the new harvest. The French Army on the Rhineland, however, was to be maintained until France received tangible and convincing assurance that Germany would carry out the full program outlined for her. "France," said Minister Barthou, "can feel confidence in its army on the Rhine. It is in the hands of a great soldier and capable administrator—General Degoutte." The Government's strong feeling against the anti-militaristic propaganda which has been going on in France was shown in the passing of a penal law to punish all persons inciting French soldiers, recruits or reserves, against military service.

One of the most tragic incidents of the war came up for discussion in the French Chamber on June 22, when Deputy Berthon, Socialist, interpellated the Government concerning the execution of Lieutenants Herduin and Milan before Verdun. The Minister of War sought to have the interpellation postponed sine die, but Berthon, supported by former soldier Deputies from all sides of the Chamber, insisted on action, and Minister Barthou finally agreed to have the matter brought up before the Summer vacation, and also to present the case to the Cabinet. The two lieutenants in question were court-martialed by General Boyer and Colonel Bernard following the terrific struggle for Fleury on June 8, 10 and 16,

1918, when the Germans were nearer to victory than ever before since the opening of the battle for Verdun. The whole battalion commanded by these lieutenants was wiped out by the German fire. Herduin, however, had already been twice wounded, and decorated for gallantry in battle. When sentenced by the court-martial, he went to his death like a hero, himself giving the order to shoot to the unnerved and weeping firing squad which had been detailed to execute him. He was buried in Fleury Wood. In a letter to his wife, made public by her subsequently, Herduin said, in part:

Well, I must meet my fate, but I have no shame. My comrades, who know me, know I am no coward. * * * Demand my pension. You have a right to it. My conscience is peaceful. When I am gone, raise your voice against the military justice of the chiefs, always looking for responsables to excuse their own errors. I kiss you madly, for the last time. * * * I kiss, too, my eldest son, who will never have to blush for his father, who did his duty. Ah, that is the last time I say to you, my beautiful darling, be brave, forget me not. My hand is firm; I die with tranquil heart. Good-bye. I love you.

Herduin's wife sent to his grave this message: "Mort pour la patrie." (He died for his country). Too late, the authorities realized that justice had erred, and Mme. Herduin received assurance of her pension, and even an offer of compensation. Informed by her husband's comrades of the full facts, she persisted in her demand for a full rehabilitation. The case was actively pushed by the Socialists, and it was a shock to the Government to find many former officers taking the same view. There is every probability that Herduin and his fellow-victim will receive rehabilitation.

The French naval program presented to the Chamber of Deputies on June 10 was adopted, after some minority opposition. It called for the construction of six light cruisers, twelve destroyers, twelve torpedo boats, and thirty-six submarines at an approximate cost of 1,416,000,000 francs. Revision of the naval clauses of the Versailles Treaty was demanded by several Deputies. A similar demand for revision of the agreement to destroy all surrendered German submarines was nipped in the bud when it was announced that the submarines which had fallen to France under the settlement had already been destroyed.

Financially, France found herself facing a better prospect than in the past. Exports—especially food exports—were on the increase. M. Doumer, French Minister of Finance, announced on June 15 that the 1922 budget had been cut from 26,499,000,000 francs to 25,596,000,000 francs. He estimated the revenues for the forthcoming year at 25,514,000,000 francs, but stated that the deficit would be made up from the proceeds of the national defense bonds, the sale of war stocks, customs, the war-profit tax, and other sources. For the first time, the Finance Minister was able to revert to a single budget, instead of the double budget for the war years. France's foreign debt, in spite of adverse conditions, has been reduced about \$540,000,000. In April of the present year, France owed only \$6,506,000,000.

One great problem which the Treasury faced was the reconstruction of the devastated provinces. A conflict developed in June between M. Doumer, the Minister of Finance, and M. Loucheur, Minister of the Liberated Regions, over the question of municipal loans in this area. The triumph of M. Loucheur's view was shown on June 17, when the Government announced that it had authorized the City of Verdun to issue bonds to the extent of 60,000,000 francs. The organization of Co-operative Societies for Reconstruction was completed by the passing in the French Senate, on June 10, of a bill supplementary to the legislation of August, 1920.

The plan of M. Loucheur to obtain 25,000 wooden cottages from Germany was meeting with many obstacles on both sides of the Rhine. The French insurance companies objected to the risk involved in wooden structures. The cost, also, bade fair to be greater than the sum allotted to the French to cover this part of the war damage. The whole subject of reconstruction was discussed by M. Loucheur with Dr. Rathenau, German Foreign Minister, in an interview held on June 13 at Wiesbaden.

The French Senate on July 7 voted a credit of 10,000,000 francs for relief of the many thousands still unemployed. The Government was taking active measures to fight tuberculosis, to aid in infant relief, and to encourage marriage by legislative action, in order to make good the human losses, estimated at 2,000,000, occasioned by the war.

ITALY UNDER A NEW CABINET

Giolitti's Government falls because of a Parliamentary deadlock—Opposition forces too numerous to admit of constructive work—Ivanoe Bonomi, a war Socialist, invited to form a Coalition Government

[PERIOD ENDED JULY 10, 1921]

AFTER the inauguration of Parliament on June 11, it soon became evident that the Giolitti Government was no more able to direct legislation in the twenty-sixth Legislature than it had been in the twenty-fifth. Although 200 Deputies of the latter had not been returned and the whole manner of the new Chamber appeared to be more serious and eager to put through the laws which the nation badly needed, yet the early sittings showed a resentment against extreme points of policy, particularly those which had been identified with certain Ministers. There was manifest unpopularity of Count Carlo Sforza, the Foreign Minister, and the manner in which he had executed the Treaty of Rapallo.

It became evident that the Government would again become the victim of obstruction, not Socialistic this time, but more or less general. Giolitti had made definite promises in regard to the program which had accompanied the demand for dissolution and a new Chamber on April 2, and each party looked to the carrying out of its own pet project of law in its own way. This could not be done, however, without compromises, and the pledges of the President of the Council permitted none.

The crisis came on June 27, when Filippo Turati, the leader of the United Socialists, proposed a resolution condemning both the foreign and the domestic policy of the Government. Before the resolution was put to vote, it had lost the clause in regard to the domestic policy and hence meant nothing to the Socialists, who had merely inserted the foreign clause to catch votes on a more popular question. They succeeded in doing this to the extent that the resolution was defeated by only 34 votes.

So it was neither a Socialist victory nor a Government defeat, but merely a strong condemnation of the Government's foreign policy as illustrated by the acts of the

Foreign Minister, which had recently been the subject of unfavorable debate. For Count Sforza had declared that Porto Baros, the most eastern harbor of the new State of Fiume, should be given to Jugoslavia as a matter of geography, of commercial equity, and quite in keeping with the spirit in which the Treaty of Rapallo had been negotiated and ratified. This aroused a strong nationalist sentiment in the Chamber, of which Signor Turati and the Socialists took advantage.

Giolitti could, of course, have allowed the Foreign Minister to resign, but the condemnation of the designation of Porto Baros was an entering wedge which sooner or later might have reached the treaty itself—the masterpiece of the Giolitti Administration. So, rather than appoint a new Foreign Minister, who might be forced to drive the wedge home, he made the censure of Count Sforza his own, and the whole Cabinet resigned.

Color was given to the suspicion that a strong Nationalist sentiment prevailed in the Chamber when the war Premiers Salandra and Orlando called upon the King and submitted their schemes for a new Government based on a reactionary program. The carrying out of this would, of course, not only have meant the repudiation of the Treaty of Rapallo, but of several projects of law found in the schedule of April 2 (see CURRENT HISTORY for May).

His Majesty was strongly opposed to representation of the extremists of either pole in the Government, and with this idea prevailing he managed to make arrangements with the leaders of the three parties most prone to obstructing that legislation with which each was not particularly identified. Don Sturzo, the leader of the Catholic or Popular Party, pledged the support of that party on the condition that the Treaty of Rapallo should not be tampered with. Benito Mussolini was ready to accept the

treaty as a fait accompli provided the projects of law for industrial co-operation should not be carried through in a communistic way. Turati pledged the neutrality of the United Socialists if the Government would invoke the laws for the preservation of public order against the Fascisti.

His Majesty then called to the Quirinal Ivanoe Bonomi, the Reformist or war-Socialist, as the man best calculated to select a Cabinet which could put forward all the projects of law most vitally needed in a moderate way. By July 5 Bonomi had completed his slate. Owing either to his own sagacity or that of Victor Emmanuel he selected a Minister for each portfolio whose party was particularly interested in the projects of law which would come under the jurisdiction of the particular department. How the parties are represented and how many seats each control are as follows:

Two Reformists, or War-Socialists, with Twenty-One Seats.

Ivanoe Bonomi, President of the Council and Minister of the Interior, who had had successively the portfolios of War and of the Treasury under Giolitti.

Alberto Beneduce, Minister of Labor and Social Economy, professor of Statistics in the University of Rome.

Four Liberal Democrats with 106 Seats.

Marchese della Torretta, dei Principi di Lampedusa, Minister of Foreign Affairs, a distinguished diplomat, latterly Minister at Vienna.

Senator Eugenio Bergamasco, Minister of Marine, once Under Secretary in that department and by profession an industrial engineer.

Senator Orso Mario Corbino, Minister of Public Instruction, Professor of Physics at the University of Rome.

Bartolo Belotti, Minister of Commerce and Industry, who was an Under Secretary of the Treasury during the first Nitti Administration.

Three Nitti Liberals with Forty-one Seats.

Marcello Soleri, Minister of Finance, who has been the unofficial financial adviser of several Governments.

Giovanni Raineri, Minister of the Liberated Provinces, who had held the same portfolio under both Nitti and Giolitti, and before that twice Minister of Agriculture.

Giuseppe de Nava, Minister of the Treasury, the war Minister of Industry and Transportation, who became Minister of Finance in the third Nitti Cabinet.

Three Radicals, or Social Democrats, with Thirty-seven Seats.

Luigi Gasparotto, Minister of War, a distinguished soldier, who had just been elected one of the Vice Presidents of the Chamber.

Giuseppe Girardini, Minister of the Colonies, who had been the first Minister for the Liberated Provinces under Orlando.

Vincenzo Giuffrida, Minister of Posts and Telegraphs, a well-known bureaucrat, who has been several times Under Secretary in various departments.

Three Catholics, or Popularists, with 107 Seats.

Angelo Mauri, Minister of Agriculture, a Vice President of the Chamber, who has written much on land co-operation and agricultural machinery.

Giuseppe Micheli, Minister of Public Works, one of the founders of the Catholic Party, who held the portfolio of Agriculture in the third Cabinet of Nitti and then in Giolitti's.

Giulio Rodino, Minister of Justice, who, having served in the third Cabinet of Nitti, held for a time the Portfolio of War under Giolitti.

It will be observed by the foregoing that the Government controls 312 seats in the Chamber. But the apparent Opposition of 223 is merely nominal—just as nominal as it was when the Giolitti Government placed the Catholics in the Opposition, owing to the distrust of the Catholic leaders and the fear lest their extremists should unite with the Socialists—for among the Opposition are the Progressives (Il Gruppo del Rinnovamento), who would vote with the Government on occasion; the Fascisti, who are pledged to support it in certain circumstances, and the United Socialists, who have promised neutrality.

The Bonomi Government, however, whatever may be its apparently strong moral and political status, whatever its ability to direct legislation, has not been received with praise by the political press. All agree that its Administration will be brief: The Conservatives distrust Bonomi because he was once a Socialist; the Socialists upbraid him as a renegade. All this is contrary to disinterested opinion, which is that the new Government possesses many elements of useful permanency which it will ultimately prove. It is a compromise Cabinet and for that very reason will be susceptible of compromise in presenting the necessary projects of law for which the nation is crying.

The policy of the Bonomi Government is based on the famous schedule of projects of law of April 2, several times mentioned. Two elements favor its being carried through with certain items in modified form: The compromises which the various

Ministers will be able to negotiate with their parties tending toward modification and hence gain the support of other parties, and the improvement in the general conditions, social, economic, financial, of the nation, which no longer needs the measures as the Giolitti Government was being forced to draft them.

The first item on the program of Bonomi is a reform of the public service, the burocrrazia, whose lamentable condition was

revealed in the April strikes. He wishes to receive full power to do this as Minister of the Interior. This is of immense importance, as it strikes at the very root of Italian political patronage. If he is successful in carrying it through, the rest should be easy; what politicians may lose in perquisites they may expect to make up in party legislation, now modified to gain outside support and to meet the changed conditions in the nation.

AUSTRIA UNDER A NEW MINISTRY

[PERIOD ENDED JULY 10, 1921]

AUSTRIA obtained a new Government on June 21. It is headed by Schober, while Breitsky is Vice Chancellor and Minister of Education; Grimm is Finance Minister; Grünberger, Food Minister; Paltauf, Minister of Justice. The others are all unknown men, only Dr. Leopold Weber having occupied a seat in the National Assembly. The new Cabinet presented itself to Federal President Heinisch, who emphasized the fact that the Government's main task was not to create new things, but to hold what remains. The new Cabinet was elected by the National Assembly; the Christian-Socialists, the Pan-Germans and the Peasant Party cast 98 votes against the 62 votes of the Social-Democrats.

On July 1 the Council of Ambassadors requested the Government of the United States to postpone its claims against Austria for twenty years. These claims amount to some \$20,000,000, and are for food-relief advances. This is part of the League of Nations plan for the financial rehabilitation of Austria. The other great powers have agreed to such postponement.

Officials of the League of Nations are disturbed by German propaganda for Aus-

trian union with Germany. It is feared that Austria, after receiving all kinds of money grants and assistance from the Entente powers, would throw herself, along with her credits, gold, and new bank, into the arms of Germany.

After three months' investigation, Ignatius Trebitsch Lincoln was expelled from Vienna, June 24, for treasonable activities and fraud. He was charged with having sold State documents to Czechoslovakia.

The State ownership of industries, which was forced upon Austria by the social revolution after the war, has led only to disaster. The Government works are operating at a loss, and to avoid bankruptcy they have had to borrow from capitalists. It has been necessary to sell some of them to Poland, a country termed reactionary by the Socialists of Austria.

Ex-Emperor Charles has retired to the Abbey of Disentis, the oldest ecclesiastical establishment in Switzerland. The retirement is thought to interfere in no way with probable plans of restoration. A report that ex-Emperor Charles means to settle on the Isle of Corfu is denied by persons close to the former monarch.

GERMANY'S EFFORTS TO MEET HER OBLIGATIONS

Firm action of the Berlin Government aids in forcing peace upon the insurgents in Upper Silesia—Bavarian Home Guards profess to have complied with the disarmament order—War criminals get off easily—Government's taxation plan to raise reparation funds

[PERIOD ENDED JULY 10, 1921]

WHAT threatened to bring about a crisis jeopardizing the existence of the "Reparation Government" headed by Dr. Wirth turned into a sort of victory for the German Chancellor and his policy of moderation when the leaders of the German and Polish combatants in Upper Silesia on June 25 accepted the plan for withdrawal worked out by Major Gen. Sir William Heneker, the British commander, and approved by the Interallied Commission at Oppeln. The extreme Nationalists in the Reichstag had been threatening to cause all manner of trouble for Dr. Wirth's Cabinet if he did not make a stand for German control of all the disputed plebiscite territory. On the other hand, the French Government had insisted that Berlin must compel General Hoefer, the chief of the German irregulars in Upper Silesia, to withdraw his forces from the neutral zone proposed by the Interallied Commission.

Although at first disclaiming responsibility for the actions of General Hoefer [see the July CURRENT HISTORY], the German Chancellor finally dispatched a commission, headed by Baron von Malzahn of the Foreign Office, to put pressure upon the leader of the irregulars and to convince him that an occupation of the Ruhr industrial district would be of greater injury to Germany than a backing down in Upper Silesia. These arguments had the desired effect, when backed by the firm attitude of General Heneker and of General Alberto de Marini, Commander-in-Chief of the Italian forces in Upper Silesia, who insisted on evacuation of the plebiscite territory by both Hoefer's irregulars and Adalbert Korfanty's Polish insurgents. General Le Rond, the French commander, put similar pressure upon Korfanty, with a like result.

The plan of evacuation provided that the Poles leave the disputed territory, as far as

the towns of Gleiwitz and Beuthen, by June 28, while the Germans were to retire northward from the same region by June 30. By July 3 the Poles were to be out of the third zone, including Beuthen and Gleiwitz; and by July 5 both Poles and Germans must be out of the whole region.

There was some delay in putting this program through, and there was a clash between the German population of Beuthen and the French troops there on July 4, when the Polish insurgents were leaving the town, which resulted in the death of Major Montalière, a French officer, and four Germans. A dispatch sent from Kattowitz on July 7, however, announced that the evacuation of the whole district had been completed the day before. British troops were occupying the territory from Beuthen to the Polish border, while the French were holding Königshütte, Kattowitz and the southern district. Railroad traffic had been resumed throughout the plebiscite territory.

Several more or less serious disturbances accompanied the withdrawal of the contending Poles and Germans, and the Interallied Commission declared Gross-Strehlitz and Rosenberg to be in a state of siege. It was not thought likely that there would be another real revolt, however, despite alarming rumors from Berlin and Paris averring that when the final decision on the division of the disputed territory was arrived at by the Interallied Commission and announced by the Supreme Council of the Allies there would be further bloodshed. Adalbert Korfanty, on the eve of quitting the field, told a New York Times correspondent that, unless the Supreme Council's decision were "just," Upper Silesia would become a "second Ireland" and a constant source of trouble in Central Europe. The possibility of further trouble remains. Neutral observers charge that many of Korfanty's insurgents

merely scattered and concealed their arms, and that it would not be very difficult for General Hoefler to recruit a fresh German force in case he thought it advisable.

The Upper Silesian situation was complicated by the usual injection of Bolshevism on the one hand and extreme nationalism on the other. Some of the Polish insurgents had lost their patriotic enthusiasm and advocated a Soviet republic. Many Germans, who had come from Bavaria and other provinces to aid General Hoefler, declared that, after having made Upper Silesia "safe for Germany," they would march on Berlin in the name of real Germanism and "clean out the Republican nest" there.

Just how to divide the damages, estimated at from 3,000,000,000 to 4,000,000,000 paper marks, caused by the two months' shutting down of practically all the mines and metal plants, is expected to constitute a difficult problem for the Interallied Commission, and may delay the final decision on the results of last March's plebiscite.

FULFILLING THE TREATY TERMS

Definite progress by Germany in paying up the obligations laid upon her by the final terms of the reparation settlement was confined during the period to the redemption, in European money, on June 28 of the second of the twenty \$10,000,000 three-month Treasury notes handed to the Reparation Commission in Paris on May 30. This left \$180,000,000 to be paid by Aug. 31. Germany's accumulation of a credit equaling 150,000,000 gold marks in New York to pay the first instalment of the initial 1,000,000,000-mark payment called for by the reparation terms caused a flurry in dollar exchange; so the Reparation Commission approved, on June 25, a decision by the principal allied Governments that Germany might pay the remainder in European currency or its equivalent.

The personnel of the Committee on Guarantees, a subcommission of the Reparation Commission created under the final reparation terms for the purpose of controlling and supervising Germany's payments, was given as follows in the German press: Sir Hugh Levick (Great Britain), General Manciere (France), Signor d'Amelio (Italy), M. Bemelmans (Belgium), M. Sekiba (Japan), and M. Diurich (Yugoslavia). The committee named Leith Bous (Great Britain), M.

Minost (France), Signor Graziadei (Italy), and M. Fredrichs (Belgium) as a Financial Advisory Committee, with power to represent their respective nations on the Committee on Guarantees in case of absence of the regular members.

Following the meeting of Walther Rathenau, German Minister of Reconstruction, with Louis Loucheur, French Minister for the Devastated Regions, at Wiesbaden, there was much cheerful talk in both Berlin and Paris about the possibility that these two practical business men might work out a feasible plan whereby German labor and materials, as well as money, could be applied to the task of restoration. On July 6, however, M. Loucheur told the Commissions of Finance and Foreign Affairs of the French Senate that the 25,000 wooden houses offered by the Germans could not be accepted, because the price asked was much too high. Not more than five-eighths of the instalments on reparations would be supplied in material and labor, said M. Loucheur.

Czechoslovakia is to receive 223,300 tons of barges, 21,000 horsepower in tugs and freighters and terminal facilities for River Elbe traffic under an award by Walker D. Hines, American arbitrator of Central European shipping, the deliveries to be made by Germany according to a plan not yet announced.

On June 26 the Yugoslav Government rescinded the 50 per cent. impost laid upon German goods under the terms of the sanctions.

DISARMING THE "ORGESCH"

The work of disarming and disbanding the 300,000 members of the Bavarian Home Guards was halted by the murder in Munich of Herr Gareis, an Independent Socialist member of the Bavarian Diet, and by the three-day general strike which was called as a protest against this political crime. Under pressure from the Allies and the labor forces at home, however, Dr. Wirth issued an order on June 27 dissolving the irregular armed bodies by June 30, under penalties of fine and imprisonment for those refusing to obey. On July 1 it was announced that the Allies' terms had been fulfilled and that the "Orgesch," as such, no longer existed. What progress had been made in gathering in the 220,000 rifles and some 2,600 machine guns in the possession

of the "Orgesch" was not reported. Dr. Escherich, the organizer of the "Orgesch," was quoted as saying that, while it might be possible to dissolve the form of his organization, its patriotic spirit could not be quenched. That scores of thousands of the former members of this reactionary organization have merely hidden their arms and would respond to a call for a coup d'état against the Berlin Government or an appeal to wipe out the German Bolsheviki is not doubted by neutral observers. An amendment to the army law passed by the Reichstag provides that the 4,000 officers of the regular army are to be included within the strength of 100,000 fixed by the Treaty of Versailles.

Following the acquittal, on July 6, of Lieut. Gen. Karl Stenger on a charge of having ordered the shooting of French prisoners during the fighting on the western front in August, 1914, the French Government recalled its judiciary mission from Leipsic and asked the British and Belgian Governments to do likewise. Major Benno Crusius, a subordinate of General Stenger, who was tried on a similar charge, and who testified that the General had issued the order in question, was found guilty of manslaughter by the Leipsic Supreme Court, sentenced to two years' imprisonment, and forbidden ever to wear the German uniform again. Lieutenant Laule, another officer on trial for war crimes, was acquitted of shooting a defenseless French Captain. General Stenger denied that he had ordered any defenseless prisoners slain, but related that when some of his soldiers had been shot from behind by apparently wounded Frenchmen he had said that such enemies must be wiped out.

German complaints against the Governing Commission of the Sarre Basin regarding the use of French money, the expulsion of German functionaries connected with the strikes of August, 1920, and the stationing of French troops in the district, were taken up by the Council of the League of Nations on June 20. After listening to explanations by M. Rault, President of the Governing Commission, the Council decided that the use of French currency and troops was justified, but asked the commission for a report on every case in which the expulsion of a German functionary had been maintained. It suggested that the commission try to re-

duce the 7,000 troops then stationed in the district.

The news of President Harding's signing the declaration of a state of peace between Germany and the United States on July 2 was joyfully received by the German press and public, although a few pessimists insisted that it did not make much difference, as little help could be expected from America. American flags were hoisted over several buildings, including the one in which the German-American Chamber of Commerce in Berlin has its offices. The German Government gave out no official expression of opinion and adopted a policy of watchful waiting.

On June 23 the German Government announced its decision immediately to release the remainder of sequestered American property in its hands, thus completing the Reichstag's action of last January.

GOVERNMENT'S TAXATION PROGRAM

Just before the adjournment of the Reichstag on July 6 for the Summer, Dr. Wirth presented the Government's taxation program, calling for the raising of about 80,000,000,000 paper marks during the coming year in order to cover the deficit in the German budget and meet the terms of the reparation agreement. In an effort to hold a balance between the Socialists on the one hand and the propertied classes on the other, Dr. Wirth's plan provides for direct taxation amounting to some 40,000,000,000 marks and for indirect levies of about the same amount. His program will be studied by the Permanent Subcommittee of Finance.

General business conditions were reported as improving materially, and the number of unemployed persons receiving full allowances from State was cut about 40,000, to 358,000, while 440,000 dependents were being helped. In approving an additional appropriation of 200,000,000 paper marks to pay unemployment benefits, the Federal Council noted on June 20 that the total expenditures for that purpose in the fiscal year of 1921 were put at 1,200,000,000 marks. At the same session an appropriation of 7,125,000,000 paper marks was added to the budget of the Ministry of Agriculture and Foodstuffs to help keep down the cost of foreign grains to the people. On June 17 the Reichstag passed a bill providing for the compulsory delivery at a fixed price of

2,500,000 tons of this year's grain harvest as a reserve stock to be handled by the Food Ministry, the surplus to be disposed of by the producers in the open market.

Though American exports to other countries have been falling off heavily, this has not applied to Germany, according to statistics made public in July by the United States Department of Commerce. Exports to Germany in May amounted to \$20,481,000, practically the same as in May, 1920, while the total for the eleven months ended May 31 was \$350,980,000, against \$182,475,000 during the corresponding period the year before. Imports from Germany in May were valued at \$6,455,000, against \$4,849,000 in May, 1920. Germany took more copper and lubricating oil from the United States in May than any other country, and stood second in purchases of cotton, bacon and flour.

Max Hölz, the thirty-one-year-old Saxon semi-bandit, who played a leading rôle in the communist uprising of last March, was tried in Berlin on charges of murder, high treason and about fifty other offenses, found guilty, and sentenced, on June 22, to

penal servitude for life. The extraordinary court refused to regard Hölz as a political offender, in contradistinction to its action the month before when Heinrich Brandler, National Chairman of the United Communist Party, was sentenced to serve five years in a fortress because his revolutionary activities were credited to idealistic, not criminal, intentions. In an attempt to restrict the political power of the Communists, the Prussian Minister of the Interior issued an order on June 20 prohibiting them from holding administrative office under the Prussian Government, even if elected to such office. The order applies to district chiefs, Mayors and heads of villages or communes. Among the German masses the revulsion of feeling against the Communists, due to the bloody March revolt, continued to be manifested by wholesale resignations from the party and defeats in local elections.

The German record for fines for profiteering was broken when a Hamburg court sentenced two merchants to pay 4,790,000 marks and serve a year in jail for illicit importation of and profiteering in 90,000 pounds of American lard.

JUGOSLAVIA—OR WHAT?

[PERIOD ENDED JULY 10, 1921]

THE Belgrade National Assembly adopted the new southern Slav Constitution on June 29 by a vote of 233 to 35. The event was accompanied by the firing of artillery and a great demonstration in honor of Prince Alexander, the Regent. Curiously the most protracted debate on the Constitution concerned the name by which the new southern Slav State should be called. We are all familiar with the appellations "Jugoslavia" and the "Monarchy of the Serbs, Croats (Hrvatska) and Slovenes," the official name used hitherto; but there were members in the Assembly who even insisted on the "Croatian Peasant Republic" and others who met this claim by one demanding the name, "Greater Serbia."

The adherents to the name "Jugoslavia" are the Catholic Croats and Slovians and Bosnian Mohammedans. They supported their argument by six propositions: The name is shorter and therefore more convenient; it meant a single people; it had

become common usage abroad; it equitably suited all parts of the nation; the threefold name gave the idea of one part of the country being superior to the others; finally, the threefold name expressed federation, not union.

Against these contentions the advocates of the longer name (often shortened to S. H. S.) advanced the following arguments: It already had official acceptance and had been used in all documents and treaties with which the nation had been concerned; it had the authority of the Nish Government, December, 1914; of the Corfu Declaration of July, 1917, and of the Zagreb Council of 1918; the name was recognized by all Governments; it retained the historic names of the three peoples forming the nation, and the three peoples forming the nation; the name Jugoslavia was of German extraction; the word "monarchy" sufficiently showed unity. On June 23 the advocates of the long threefold name won the day.

HUNGARY'S STRUGGLE FOR A SECURE FOOTING

*Premier Bethlen abolishes military investigations and the censorship of press telegrams
—Resentment against Austria's border claim and the supposed menace of the Little
Entente*

[PERIOD ENDED JULY 10, 1921]

THE Government is trying its best to put Hungary on a stable footing, but the task is inherently difficult because of the stern measures included in the Peace Treaty. About the middle of June the Cabinet's position became unstable because of the attitude of the Farmers' Party, the principal group in the National Assembly. For a short period it seemed that it would have to resign, but the danger was averted through a meeting of the Farmers' Party, at which the Premier and Count Gideon Báday, Minister of the Interior, appeared and gave satisfactory explanations, eliciting a vote of confidence.

When a budget was offered in the National Assembly for the first time since the war, the question of the abolition of certain exceptional measures required by the Bolshevik danger was much discussed. An overwhelming majority approved the Government's contention that precautions must still be taken against Bolshevism, although it was no longer necessary to maintain all the measures of that kind put into effect in time of acute danger. Count Bethlen, the Premier, announced that the system of military investigations would cease on July 1. He also stated that censorship of telegrams had been abandoned and that a special committee would shortly revise all orders for internment. There were only 700 persons still detained in internment camps, of whom half were Communists and the other half notorious profiteers and thieves, he said.

That Hungary has not recovered from the Bolshevik shock is indicated by a new Press bill, presented to the National Assembly by Minister of Justice Tomcsanyi. One section provides that all periodicals found guilty of advocating the overthrow of lawful government or social order by violence shall be suspended, and that in cases where great moral turpitude is fully

in evidence, such suspension shall be indefinite. This is in addition to heavy fines and imprisonment if circumstances warrant it. The act would also establish joint and several responsibility on the part of the author, publisher and managing editor. These provisions are drastic deviations from the old Press act, which knew no suspension, especially indefinite suspension, and prohibited only the vending and the sending through the mails of printed matter where immorality was involved. The bill is encountering much hostile criticism. Even the so-called Christian papers fail to hail it as a progressive measure and warn the Minister that the act would be a two-edged sword which could be turned upon any patriotic and really constructive press should power slip into the hands of vicious elements.

The finance wizard, as Minister Hegedüs is fondly called, for the first time since the war, has offered a detailed budget to the National Assembly. The deficit of the past financial year amounted to 6,500,000,000 Hungarian crowns. The larger part of this deficit accumulated before Hegedüs assumed responsibility, and he promises that through an intricate method of taxation he will stabilize State finances. When he accepted the portfolio, he said he would remain in office only one year, within which period he hoped to make a clean slate for his successor. His half year in office has brought about many a desired change. On the whole, the nation's confidence is unshaken in this masterful man, although he is not without critics. He has his own ways and proceeds unflinchingly.

The question of relinquishing dominion over the three western counties and ceding them to Austria is still a thorn in the side of Hungary. For a long time hope was cherished that this question would be left to the parties immediately interested, but

on June 26 Hungary was said to have received a note from the Entente commanding her unconditionally to hand over this territory to Austria. France and Czechoslovakia are mainly blamed for the order, since it is thought that France desires, by this "donation," to counteract the movement in Austria to align with Germany, while Czechoslovakia's motive is to effect immediate intercourse with the Yugoslavs through a corridor thus gained and so find access to the Adriatic. Hungary is bitter because she still maintains that she fought for Austrian interests in the war and that now she is compelled to enrich the very country to which she owes her downfall.

Completion of the Little Entente, to which Czechoslovakia, Rumania and Jugoslavia are parties, is causing Hungary to ask the nations of the big Entente whether it is their intention to stifle her. In the Hungarian interpretation the Little Entente can have no other object than to find an excuse for military action whenever the time seems ripe. Under such conditions, the leaders say, it is doubtful whether any Government could bring order out of chaos.

Hungary's application for membership in the League of Nations will be passed upon at the session scheduled for Sept. 5, in Geneva. The selection of Count Albert Apponyi as Vice Chairman of the Foreign Association, which assembled in Geneva early in June, is interpreted as a good omen for Hungary in her future association with the great nations. Apponyi's candidacy was endorsed by all the powers, but he declined the honor for ethical reasons. He assumed, however, the Chairmanship of the Hungarian-American Society in Budapest, which was created to foster good relations between the two countries, and began its activities by the observance of the Fourth of

July. At the statue of George Washington, in the City Park of Budapest, an inspiring address was delivered by Count Apponyi, to which Grant Smith, the American High Commissioner, made a suitable reply.

Transylvania having come under Rumanian administration, the fate of the Hungarian Unitarian Church, the Mother Church of Unitarianism, is endangered, according to Dean Nicholas Józán. Only 10,000 Unitarians are under Hungarian jurisdiction, he said, while the other 70,000 must stay under Rumanian rule, their religious liberties being trampled upon.

The spotlight was turned upon the activities of the so-called Hungarian emigrants in Vienna in a recent trial there in which Schuller-Sullay was indicted for forgery. In his testimony the accused declared that William Böhm, a high official during the communist régime in Hungary, hired him to forge State documents so as to show that the Hungarian "white" Government had put a price upon the heads of the escaped Communists and was preparing to make war upon the succession States. The defendant explained, under cross-examination, that the object of the whole conspiracy was to cast odium upon the Hungarian Government and furnish material for propaganda in the foreign press. The Hungarian authorities recently caught in Szeged a man named Reismann, alias Paul (Wieder) Telegdi, an emissary of the Hungarian Bolshevik colony in Vienna, who was commissioned to start agitation in military barracks against the Government, and especially to arouse discontent among farm hands, with a view to impeding the harvest. He had been active for many months and had sent reports regularly to the Vienna headquarters.

NEGRO UPRISING IN THE BELGIAN CONGO

TRAVELERS arriving at Antwerp in June reported that unrest among American negroes employed by an American firm in the Belgian Congo was causing disquietude, although armed rebellion was at

an end. The negroes had been receiving a newspaper which, the travelers say, incited them to rebellion, and at the village of Kenshasa they organized a sort of army equipped with rifles and ammunition.

BELGIUM NOW LUXEMBURG'S PROTECTOR

[PERIOD ENDED JULY 10, 1921]

BY a formal agreement, the text of which was made public on June 12, Belgium has displaced Germany as the protector of the Duchy of Luxemburg. All customs formalities between Belgium and Luxemburg are abolished, and wherever the Duchy is not represented by its own consular agents Luxemburg's interests will be placed in the hands of Belgian consular officers. All Luxemburg money is to be replaced by Belgian money, with the exception of bills less than 10 francs to a total of 25,000,000 francs. The Luxemburg railroad system is consolidated with that of Belgium and handled by a single administration. Luxemburg is to receive a loan of 175,000,000 francs, to be raised by a Belgian financial group, on which Luxemburg is to pay 2 per cent., the remaining interest to be paid by Belgium.

King Albert and Queen Elizabeth arrived in London on July 4 for their visit of state to England, accompanied by a numerous suite. A banquet was given for them at Buckingham Palace, and the next day they were guests of the city at the Guildhall. The first Court ball since 1914 was given at Buckingham Palace on July 7 in their honor.

Belgium, according to cabled reports on June 30, had received an order for 95,000 tons of steel rails for the Argentine Government. The bid entered by the United States was the largest, \$59.84 a ton; that of England came next at \$52.36. Germany bid the lowest, \$35.48, but the contract was given to Belgium for \$37.40 a ton.

The new American immigration laws are causing congestion at the port of Antwerp,

especially as regards Poles, a number of whom are being left behind by each steamer and are unable to find shelter. More than 3,000 emigrants were left stranded at Antwerp up to June 16.

The Belgian Red Cross on June 14 announced that it had purchased one gram of radium in Colorado for 1,000,000 francs, or about \$80,000 at the prevailing rate of exchange.

HOLLAND—Official announcement was made on June 18 of the resignation of the Dutch Cabinet, chiefly due to the defeat in the Second Chamber of an essential clause in the new army bill proposing a reduction in forces. The actual resignation, however, was postponed on account of the visit of the Crown Prince of Japan. This visit was believed at The Hague to be the preliminary to an effort of Japan to effect a rapprochement with Holland, more especially in the Dutch East Indies. In reply to Queen Wilhelmina's telegram, sent after the Prince had left, the Emperor sent a very cordial dispatch, expressing great hope for closer economic relations between Japan and the Dutch colonies. Some disquietude, however, was caused by the fact that Japan had followed America's example and demanded participation in the exploitation of the colonial oil fields. As in the case of the United States, Holland declined the request.

Dr. J. C. A. Everwijn was selected as Minister of Holland to the United States on June 22. He was head of the commercial section of the Ministry of Agriculture, Industry and Commerce, is 44 years old and belongs to an old aristocratic Dutch family.

GERMANY TO RETURN AMERICAN PROPERTY

THE State Department at Washington issued a statement on June 23, 1921, regarding sequestered American properties in Germany. In compliance with the provisions of a decree of Jan. 11, 1920, the German Government had already released some of the property held by the Custodian of Enemy Property on the application of the legitimate owner. American cash hold-

ings, however, had not been generally released. The Washington statement announced that the German Government had decided to release all American properties still held. Requests for further releases were to be addressed to the Information Office of the Alien Property Custodian, Verlaengerichte Hedemipitzstrasse, 11, Berlin.

THE CZECHOSLOVAK ALLIANCE WITH RUMANIA

[PERIOD ENDED JULY 10, 1921]

THE young Czechoslovak Republic is struggling to maintain a general economic, political and educational balance. Its foreign policies are shaped to obtain comparative national security. For this purpose it has entered into an alliance with Rumania, the terms of which were recently given out officially. Important provisions in the treaty are these:

Should Hungary, without being provoked, attack either Czechoslovakia or Rumania, the other contracting party will aid the one attacked.

Authorities of both Czechoslovakia and Rumania will, by mutual agreement, outline the military arrangements necessary to make the alliance effective.

Neither of the contracting parties shall enter into any treaty without first consulting the other.

To make sure that both Governments shall act in concert for realization of the peace program, they agree to inform each other about intended measures of foreign policy touching their relations with Hungary.

This agreement shall be in force for two years, beginning from the day of ratification by both parties. At the expiration of this time limit, either party is free to withdraw from the alliance, but in the absence of such declaration this alliance shall automatically continue in force for the period of six months.

This treaty, quite logically, spreads a sense of security so far as the territorial integrity of the new republic is concerned. Quite as logically it does not tend to allay discontent in the camps of the German, Magyar and Ruthenian population, and even among the Slovaks there is manifest disapproval. The Germans and Magyars wish to realign themselves with Austria and Hungary respectively. The Ruthenians and Slovaks are more anxious to obtain autonomy, even though many of them favor living under Hungarian rule, and they appreciate the fact that the foregoing treaty will bring them anything but realization of their wishes.

The Hungarian population of the City of Kassa staged a demonstration there on June 18, demanding autonomy for Slovakia. The mass meeting was called by the Christian Socialists, and Louis Körmendy-Ekes, a member of the National Assembly in

Prague, was the principal speaker. He charged that his party was abused, that un-Christian ideas guide the Government, that taxes are excessive, inasmuch as people engaged in industries and commerce pay 60 per cent. of their income and owners of land pay more than twenty times what they used to pay before the war. He charged also that all succession States honor war bonds, the only exception being Czechoslovakia. He criticised military preparations, charging that fully 5,000,000,000 sokols are expended for the maintenance of a large army, and that other State functions suffer in proportion.

Landowners of the country, especially those of Slovakia, eagerly look forward to the proposed land reform. According to plans, all tracts composed of more than 150 tillable hectares and woods of more than 250 hectares will be expropriated. No cash will be paid to the owner, but bonds given, which will draw 3 per cent. interest and amortization at the rate of one-half of 1 per cent. The bonds will mature in fifty years. The price to be paid will be regulated according to prevailing prices in the years 1913-15, and will be paid at the present rate of exchange. The land thus obtained by the State will be leased out to the legionaries, and only the remainder to others who can prove they have the necessary capital for cultivation. In meritorious instances the State would advance a loan to the extent of 90 per cent. of the official valuation, and the loan also is payable in fifty years. The land will be expropriated irrespective of its ownership. Although the law will apply to the whole country, it is charged that it is mainly directed against Hungarian landowners, against estates and churches in Slovakia and against German-Austrian owners in Bohemia. Comparatively few Czechs will lose their lands.

Dissatisfaction is increased in Slovakia because of the striking dissimilarity in prices of food and other necessities. While flour costs 4 sokols a kilogram in Prague and 6.24 in Bohemia, the populace in Slovakia is obliged to pay 7.73 for the same

staple. In general, it is charged that while articles produced in Slovakia cost but a trifle more in Bohemia, those imported from Bohemia cost from 35 to 40 per cent. more

in Slovakia. This is termed discriminative, and is mainly responsible for the existing discontent. (See also articles, pp. 834 and 844.)

RUMANIANS AND MAGYARS

To the Editor of Current History:

The events which took place in the eastern corner of the former Austro-Hungarian monarchy are still too near in time to allow us to have a clear and far-reaching view of this new world issued out of the ruins of a broken empire. The repercussions of the desperate struggle which divided the Magyars and the non-Magyar peoples of old Hungary still last and, alas, will go on a long while, because there will always be pretexts and especially interests enough to prevent an amiable settlement.

Let us take the relations between Rumanians and Magyars. Each side is over-busy in accusing the other. The Rumanians accuse the Magyars of trying to incite the Magyar people of New Rumania against the Rumanian State; the Magyars complain that the Rumanian persecution in Transylvania is growing more and more intolerable.

Is there really a Rumanian oppression of the Magyars? I dare say, with the utmost sincerity, that no such oppression exists. These new citizens of Greater Rumania have, perhaps, many causes to complain of the Rumanian authorities; they have reasons enough to be discontented with the new situation, but these complaints are general, this discontent is no Magyar monopoly. You will find discontent among all classes; it is a universal sickness caused by the war and to be found in all the countries of Europe.

However well the Magyar complaints may be founded, they can hardly be ascribed to any Rumanian intolerance. This alleged oppression is rather a state of mind than a positive fact. It is based above all on the difficulty of forgetting, for the one as for the others. The Magyars cannot forget that they have ceased to be the masters, the omnipotents of yesterday; the Rumanians cannot forget that during many long centuries they had to suffer great injustice. These sentiments lead the Magyars

to consider each act of the Rumanian Government as persecution; and sometimes the same motives lead Rumanians to acts of individual vengeance, which, without being pardonable, are, nevertheless, human and comprehensible. There is by no means a change of parts; the oppressed of yesterday have not turned into the oppressors of today. There is only taking place a political expropriation of the overmighty to the profit of those who before have been deprived of rights—perhaps a forced expropriation, but a legitimate one. And can any new and just division of rights and duties be accomplished without the protest of those who must give?

I expect the remark that there is in question the expropriation of a whole people. Not at all. The Magyars are keeping all their national rights and are restoring to the Rumanians the rights they had taken—rights which are not necessary to the Magyars to live a free national life. They only are expropriated of their privileges.

A striking example: In a small Rumanian town the former Hungarian State had established a school. The language of this school was the Magyar, though the whole Magyar population of the town was not even fifty souls. Does it mean oppression of the Magyars if the Rumanian language is reinstated in its natural rights? But this town is only one among a thousand.

Magyar life has nowhere been hindered in its natural development. Only Rumanian life has begun to manifest itself, too. The struggle has been so violent, the heads are still so excited, that the voice of reason cannot be listened to. But anger and passion will pass and an understanding will come, because it must come. Let time act, and it will heal man-caused wounds. And above all, since it is impossible to do justice to all, let us try to do as little injustice to any one as can be done.

I. SCHIOPUL.

Bucharest, Rumania, June, 1921.

ALBANIA'S FEUD WITH GREECE

*Conflict over territorial claims in Albania aggravated by the Greek war in Turkey—
Spies caught distributing anti-Greek propaganda from Mustapha Kemal*

[PERIOD ENDED JULY 10, 1921]

ALL through the month of June the Council of the League of Nations listened to complaints of Albania about the encroachments of Serbs and Greeks upon her territory. Both the Greek and Yugoslav delegates pleaded guilty, but insisted that events subsequent to 1913 had made the London and Florence Treaties of that year, defining the Albanian frontiers, wholly obsolete. The matter came up before the Council on June 26 for decision. Considering the matter as one of adjustment of dead treaties rather than interpretation of living ones, the League Council decided to refer the matter to the Council of Ambassadors. Against this decision the Albanian delegation, headed by Bishop Noli, who is a graduate of Harvard University, strongly protested, declaring that the Council of Ambassadors dealt only with questions between victors and vanquished, whereas Albania had been neutral. A new memorandum of charges against the Greeks and Yugoslavs was filed by the delegation.

The friction between the Albanians and the Greeks has been especially bitter on account of the Greek war upon the Turkish Nationalist leader, Mustapha Kemal, with whom, Greece has alleged, the Albanians, who are the Turks' co-religionists, stand in a relation of complicity. The boundary dispute between Greece and Albania was presumed to have been settled in the Winter of 1919-20 by the exchange of protocols between the Governments of Great Britain, France, Italy and the United States. The arrangement then made, however, was modified in favor of Albania by the subsequent treaty between Italy and Albania, negotiated by the Italian diplomat, Count Manzoni, a year ago. Further adjustments remained pending. Meantime the town of Koritza, of mingled Greek and Albanian population, and a bone of contention between the two countries, was administered by Albania. The Greeks in the town complained of being pressed into the Albanian military service, of confiscation of the earn-

ings of returned Greek immigrants, with other similar charges.

In the first week of May the Greeks were outraged by Albanian attacks upon the Greek church of St. George. On the Thursday preceding Good Friday, first of all, some Albanian officers, led by an Albanian priest named Premiti, broke into the church during service and demanded that the mass be said in the Albanian language. The priests complied, but the next day the Greek Metropolitan protested to the Albanian Governor against this indignity. A day later the Greek Metropolitan mysteriously disappeared and an armed attack was made upon the Greeks during a procession, with the result that eleven Greeks were killed and several wounded; the Albanians lost about the same number.

Next came the trouble over Chimarra, also in Albanian territory. Chimarra is a small port opposite Northern Corfu, at the foot of the Acrocercanian Mountains, and has been celebrated both by Horace, the Latin poet, and by our English Byron. Chimarra came out openly proclaiming its union with Greece. The Albanian Government at once sent an ultimatum, bidding the people recognize Albanian sovereignty. They were about to give way when Greek mountaineers flocked into the port and ordered them to defy the Albanians. The Albanian-Greek feud, thus intensified, was made still more bitter by an event which occurred in Greek territory, south of the frontier.

At this point some Moslem Albanians were arrested by the Greek authorities as spies. A search revealed the fact that these men carried Turkish propaganda literature, printed at Angora. The prisoners declared that they had received this literature for distribution from a certain French Senator, who had recently passed that way on a mission to Albania. Identifying this alleged distributor as Senator Godard, the Athens press at once began to accuse the French Government of inciting insurrection among

the Moslems of Greece. These attacks brought a denial from M. de Billy, the French Minister at Athens, who declared that Senator Godard had come on private business and had no Turkish propaganda material in his possession.

A further examination of the effects of the alleged spies revealed part of a speech delivered by Mustapha Kemal, the Turkish Nationalist leader, delivered before the Grand Parliament at Angora on May 10, which seemed to place the origin of the propaganda beyond doubt. The extract from the speech read as follows:

Owing to the geographical situation of Albania we cannot maintain direct communica-

tion with that country. But we gladly consented to the request of the Albanian officers, who asked our permission to return to their country and organize Albanian forces against the Greeks. We, as Mussulmans, take the greatest interest in Albanian affairs, and consider that Albania needs our assistance against Greek aggression. It is our sacred duty to give aid to our coreligionists. No Turkish officer has left Angora, but Nouredin Pasha, the commander of one of our Smyrna divisions, has proceeded to Albania with 200 Albanian officers who had come to Asia Minor to help us, but who, I judged, would do more effective work in their own land. Greece has become the enemy, not only of Albania, but of all the Levantine races, and the Balkan States should recognize this as Albania has already done.

THE LITTLE ENTENTE'S PROBLEMS

[PERIOD ENDED JULY 10, 1921]

THE text of the three defensive treaties which form the backbone of "The Little Entente" — Czechoslovakia - Yugoslavia, signed Aug. 14, 1920; Czechoslovakia-Rumania, April 23; Rumania-Yugoslavia, June 8—is now at hand. All contain a preamble and six articles, and the last two follow the first (See *CURRENT HISTORY* for January, page 73) in all essential particulars. In each case should Hungary make an unprovoked attack upon one of the parties the other shall come to the rescue; meanwhile military conventions shall define that aid, and other conventions shall lay down a common foreign policy, which shall be based upon the execution of the Treaties of Trianon and Neuilly.

Almost simultaneously the "fathers" of "The Little Entente," Dr. Benesh at Prague and Take Jonescu at Bucharest, expounded the treaties along the foregoing lines; but the latter added, what had already been imparted privately to *CURRENT HISTORY* by the Rumanian Legation and printed in these columns:

The second part of the great political program will be the conclusion of an alliance between Poland, Czechoslovakia, Rumania, Yugoslavia, Greece, and, as soon as expedient, Bulgaria.

In commenting upon this statement the Sofia Echo of Bulgaria, on June 16, re-

minded its readers that the Bulgarian Government had three times attempted a rapprochement at Belgrade, but without avail. However, it had hopes of an invitation from Prague or Bucharest. Conversations with Rumanian, Serb and Czechoslovak diplomats reveal the fact that, while none questions the correct attitude of M. Stambolisky, the Bulgar Premier, which has gained for his country admission to the League of Nations and a good measure of esteem from several chancelleries, there are, nevertheless, elements in Bulgaria, whether reactionary or communistic, which, in the event of Greek reverses in Asia Minor, might seek to combine with Kemalist and Bolshevik elements to stir up trouble in Thrace. With this fear removed, it is added, the way will be open for Bulgaria to enter "The Little Entente."

As to the case of Greece, neither Dr. Benesh nor M. Jonescu nor M. Pashitch, the Serbian promoter of "The Little Entente," can be particularly enamored of Constantinian Greece—they who are the personal friends and admirers of Venizelos. However, they recognize the paramount importance to Balkan and European peace, and believe that no domestic changes in Greece should be allowed to upset a settlement by any other State desirous of fishing in troubled waters.

SCANDINAVIA'S FIGHT AGAINST BOLSHEVISM

How an elaborate revolutionary plot, subsidized with Russian money, was crushed by Sweden—Norway's effective way of handling a Bolshevik-led general strike—Russia's dissatisfaction with the Aland Island settlement leaves a cloud on the horizon

[PERIOD ENDED JULY 10, 1921]

SWEDEN has been much commended in the press of the world for her loyalty in abiding by the decision of the Council of the League of Nations (June 24), that the Aland Islands shall remain under Finland's sovereignty. The islands are to be neutralized from a military standpoint, and the population is to receive the guarantees recommended by the Elkus commission. Hjalmar Branting, former Prime Minister of Sweden, protested against the decision, saying, in part:

The Swedish Government cannot refrain from expressing the fear that the Council has badly shaken the confidence of all peoples, and more particularly those who, like Sweden, long have striven for a realization of international law and who had felt that the League of Nations had been created to place the world under the reign of this law.

He agreed, nevertheless, to recognize the decision, regarding it as the duty of a member of the League to do so, even though it was a bitter disappointment to his country and to the Aland delegates at Geneva. Even so, the decision cannot be regarded as final; for the next day the Russian Soviet notified the League and all other parties concerned that Russia still considered itself interested in the Aland question and protested against its being settled definitely. The note of protest contained a reference to the treaty of 1856, made at the close of the Crimean war, after the British and French fleets had destroyed the Russian fortress of Bomarsund on the largest of the Aland Islands. By its terms Russia guaranteed that the islands should not be fortified, but broke its pledge early in the World War.

This demand of Russia to be considered in the settlement lends significance to the Bolshevik plot, detected by the Swedish police in the second week of June, to start a revolution simultaneously in Sweden, Norway and Finland. The precipitation of the

Norwegian general strike was regarded as the advance action of this movement. The chief conspirator in Sweden was a journalist, Jacobsen. The others arrested were all Finns, former members of the Finnish Red Guards, and all the persons in custody were considered members of a gang directed from Moscow. Among the documents seized were instructions to agents to get particulars about Swedish army, navy and air forces. Arrests continued through June 17, and investigations were expected to last for several weeks. Raids in Northern Sweden resulted in the arrest of four Finnish communists, suspected of having set fire to large sawmills, and in the flight of many communists to the coast in the hope of escaping by sea. In the State Council it was decided to expel Wallenius, the Finnish chief of the Stockholm organization, as a particularly dangerous person. Several of the Finnish Red Guards arrested had been living luxuriously in Stockholm. Others worked as miners in the northern iron-ore fields. It was found that extensive subterranean works had been carried out at Boden, Sweden's largest fortress, situated near the Finnish frontier.

This revolutionary organization in Sweden dates back to 1918, when many Finnish Red refugees came over the frontier on false passports. Later a committee of six was formed, and in April, 1919, a Red officers' school was established. For their equipment Lenin arranged to establish a special clothing factory. However, the pupils pawned their uniforms and arms, and that part of the scheme fell through. The committee of six arranged for the smuggling of jewelry from Soviet Russia into Sweden. Motorboats carried the goods to points on the Swedish coast, whence motorcars forwarded the goods inland, both boats and cars making regular trips for this purpose.

NORWAY—The general strike which grew out of the Norwegian seamen's strike went down in a fortnight to crushing defeat before the efficiency of the nation-wide Community Aid Organization. The workers were sent back to work on June 10 without conditions and without having gained anything. This event was hailed in the Norwegian press as "a unique victory for society." The Community Aid had kept the necessary industries going by furnishing volunteer social workers in all lines affected. The military was mobilized, but not used. The workers had to return to work individually, taking their chances of being re-employed. In the words of an editorial in *Aftenposten* (Christiania):

No strike was ever more lightly entered into, nor sooner ended with a more crushing defeat. Launched by a small band of Bolsheviks, the strike necessitated great sacrifices on the part of the laborers, but all in vain. The Bolshevik leaders learned that society is no plaything which they can beat to pieces like a child. The strike was broken by its own impossibility.

The Norwegian Government recently introduced a bill proposing to substitute a system of rationing liquor, like that adopted in Sweden, for the present temporary system of absolute prohibition. The provision in the measure that all profits from the sale of alcohol be used to further social reforms gives rise to many points of dispute.

The question of compensation for the fifteen Norwegian ships requisitioned in American shipbuilding yards by the United States on entering the war was submitted to the United States Senate, July 1, in the form of an arbitration agreement for ratification. This agreement was drawn up in conformity with the provisions of the arbitration convention between the two countries in 1908, and its negotiation followed the failure of the Norwegian claimants and the United States Shipping Board and Emergency Fleet Corporation to adjust the claims. These claims amounted to \$14,157,000. The Senate referred the arbitration agreement to its Foreign Relations Committee. Its text was not made public.

DENMARK—The marriage of Princess Margaret of Denmark and Prince René of Bourbon was solemnized in the Roman Catholic Church, Copenhagen, on June 10, in the presence of the King and Queen and other official personages. The Princess

was accompanied by her father, Prince Valdemar, and the Prince René by his mother, the Duchess of Parma. The drive of the bride and bridegroom to the Amalienborg Palace was a brilliant progress. The carriage was escorted by Hussars, and the cheering crowds covered it with flowers.

A resolution urgently appealing to the Government to intervene in the industrial crisis that lies heavily on Denmark was unanimously adopted at a meeting of repre-



(Times Wide World Photo)

PRINCESS MARGARET OF DENMARK
Bride of Prince René of Bourbon

sentatives of various industries invited by the Danish Chamber of Industry, June 15, to discuss means for dealing with the matter. Influenced by the free-trade Agrarians, the Government had shown no desire to accede to the Social Democrats' demand that it summon the Rigsdag. The Social Democrats had lately joined the Conservatives in pointing to protection as a solu-

tion of the difficulties, in view of the stress of German competition.

The Fourth of July was made the occasion of a great Danish-American festival in the Rebild Hills of Jutland. Joseph C. Grew, the American Minister to Denmark, made an address which evoked great enthusiasm from the thousands of Americans, Danish-Americans, and Danes present.

RUSSIA IN DESPERATE STRAITS

Lenin's fight for economic reforms obstructed by radical Bolshevik leaders at the Third International Congress—Famine and rebellion faced by the Soviet—The trade movement from Europe still weak

THE Soviet newspapers bear eloquent testimony to the desperate efforts of the Bolshevik Government to retain power until conditions improve so as to make for permanency. From these papers it is apparent that Lenin's far-sighted plans to improve the desperate state of affairs that now prevails have met with an ever-increasing opposition on the part of Bukharin, Zinoviev, Djerzinsky and other extremist leaders. Interesting information is given by the official organs of an extraordinary session of all the chief executive bodies held in Moscow on May 27, preparatory to the opening of the Third International in June. The following official organizations were represented: The Soviet of People's Commissaries, the Soviet Revolutionary Military Council, the Labor Defense Council and the All-Russian Extraordinary Commission, otherwise known as the Cheka.

The object of this extraordinary session was to discuss the crisis which faced the country. Since the beginning of May disquieting reports had been received from the interior, notably of a strong anti-Soviet movement, which was gaining momentum in the following provinces: Saratov, Orel, Ufa, Riazan, Vologda, Tambov, Cheliabinsk and Kursk. Food shortage was combining with the anti-Soviet propaganda of the Mensheviks, the Revolutionary Socialists and the White Guard elements. A certain number of Red Army units were being strongly disaffected by this movement.

The meeting was stormy. Lenin was bitterly attacked by the radical leaders, who

have made war on him since he declared for a partial return to capitalism and free trade. These leaders were for drastic action at home and for a continuance of the efforts of the Third International to work for revolution abroad. A speech by Lenin, pointing out the desperate economic condition of the country, declaring that "the economic life of Russia is on the eve of a complete breakdown," and implying that the only recourse was to work for reconciliation in Russia and to comply, at least for the time being, with the demands of the Entente for a cessation of propaganda for world revolution, was howled down, and Lenin left the meeting.

The extremists, led by Trotzky, Bukharin, Djerzinsky and Zinoviev, gave no sign of relenting in the drastic policy which they advocate. These leaders were all prominent in the new sessions of the Third International, which opened in Moscow on June 19. The majority of the foreign delegates brought glowing accounts of revolutionary movements in Germany, France, England, Italy and elsewhere. These stories were received with enthusiasm. The violent spirit of the extremists, however, was dampened by the conditions at home, alleged by Lenin and the conservative leaders to have been caused by the measures pushed through by the radicals. Leon Trotzky was greatly in the limelight. He led a procession of troops just before the Congress was opened. Effigies of Lloyd George, Premier Briand and other Entente leaders were greeted with jeers.

The Congress was attended by delegates

from the brown and yellow peoples of the Near and Far East. Women delegates were in the majority. Zinoviev, in his opening speech, reviewed the standing of communism abroad, and advocated an unrelenting struggle against capitalism. Both Trotzky and Bukharin, who is head of the Left Wing of the Soviet Central Committee, and editor of the Moscow Pravda, made speeches to the women delegates, urging them to take an active part in "the revolutionary front" abroad. Bukharin summed up the situation thus: "We, in Russia, are exhausted, but must hold on at all costs. You on the outside must help, and strain every effort to make the existence of capitalism impossible."

At a session reported on June 28 Trotzky was appointed to draw up a manifesto to the world's proletariat. Trotzky's assertions that a conflict might be expected between the United States and Great Britain, and between Great Britain and France, were contested by the German delegates, who charged that Trotzky was overstressing future perspectives and ignoring immediate possibilities. Zinoviev declared for the strengthening of the communist parties abroad, demanding more mass action. He announced that the Executive Committee had decided to admit the British Labor Party and the French Socialist Party. Referring to the "splits" in nearly all the communist groups abroad, he advocated iron discipline "to grapple with bourgeois tendencies."

Zinoviev's views on the latter point won out at the session of June 29, but only after a bitter contest. A number of delegates favored a compromise regarding the twenty-one points laid down by the 1920 Congress, but were voted down. As finally adopted, the resolution approved Zinoviev's view that the Third International must insist on the full twenty-one points as a qualification for membership, authorized the sending of a threat to expel the Italian Socialist Party unless it excluded all reformists, and threatened the Communist Labor Party of Germany with expulsion unless it united immediately with the more radical communist element. Further meetings of the Congress had not been reported up to the time when these pages went to press.

An alleged plot to start a simultaneous communist revolution was revealed by the

police of Stockholm on June 9, following the arrest of a notorious Bolshevik leader in Kiruna, situated in the iron-mining district of Sweden. Papers were found implicating 400 Bolsheviks staying in Sweden, all of whom were to be deported.

Grave conditions approaching famine were reported both in North and South Russia toward the middle of June. Food riots were going on at several points, and mutinies among the soldiers of the Red Army were feared, owing to a reduction of rations. Famine conditions in Kiev were said to be especially severe. In this district, Nationalist societies were active in hunting down and killing the Bolshevik commissaries. Hostility among the peasants and workmen was growing more and more open.

The dearth of food was caused, in part, by the interruption of communications in Western Siberia by insurgent anti-Bolshevik elements. The capture of Omsk and the revolutionary activities from there to Ekaterinburg had demoralized all transportation. [For the chaotic situation in Siberia following the capture of Vladivostok by the anti-Bolshevik Kappelites, see the article on Siberia].

The much hoped-for relief from Europe was slow in materializing. It was reported on July 21 that shipments from the Scandinavian countries, Germany and Great Britain were still insignificant. Lenin's plan to return some of the factories to private ownership was expected to result in the export of considerable raw material. Russia's import trade through Esthonia and Latvia amounted for the month of May to 50,000 tons, as compared with 35,000 tons for April. About half of the imports were food products. Royal honors were paid the Dutch steamer Alexander Polden when it arrived at Petrograd toward the middle of June with a cargo of herrings. Twenty carloads of herrings were immediately unloaded and dispatched to Moscow. The inhabitants of Kronstadt and Petrograd gave way to great rejoicing. Food conditions in the former capital were said to be distressing. Only the day before the Dutch steamer arrived the Ekonomicheskaya Zhizn wrote: "The fate of the city is so tragic that no comparison can be found in the world's history." The mortality from famine and disease, this paper said, was greater than that caused by the engulfing of Pompeii.

UNION OF THE CAUCASUS STATES

Armenia, Azerbaijan, Georgia and Daghestan sign a compact of close economic and defensive union in the French capital, while their countries are held in Babylonian captivity by the Bolsheviks

[PERIOD ENDED JULY 10, 1921]

A PECULIARLY interesting development, in view of the situation prevailing in the Caucasus, was the union in Paris on June 10 of the three main Caucasus States, Armenia, Azerbaijan and Georgia, and a fourth State—the North Caucasus Republic of Daghestan—into a close economic and protective confederation. Negotiations for such a compact had been under way for some weeks, both in the Caucasus and in France. The main movers in the agreement called on Premier Briand on June 22 and presented him with a copy of the articles of confederation. These delegates — M. Aharonian (Armenia), M. Topchibachev (Azerbaijan), M. Avalov (Georgia), and M. Tchemoyev (North Caucasus)—told M. Briand that the union had been formed in order to assure the various peoples of the Caucasus of their independence, to give them a democratic régime, and to make them economically self-sufficing. All four members of the group were to enjoy equal rights. All differences were to be submitted to arbitration. No foreign compacts were to be made without common discussion and consent. The four countries were to form a customs unit. Full freedom of international transit was to be accorded. No decrees or arrangements made by the Soviet régime now in power in the Caucasus were to be recognized by the new confederation.

The ironic interest of this compact lies in the fact that Soviet Russia is in actual possession of the whole Caucasus territory. The situation prevailing there is briefly as follows: Armenia, Azerbaijan and North Caucasus have been for some time in Russian hands. Georgia, after maintaining independence for a considerable period, fell, on March 17, 1921, before an advance of the Soviet armies, its Government was overthrown, and its political leaders were forced into exile. The Soviet rule is supreme in all these States. All the expelled Governments are fighting for return. The moun-

taineers of Daghestan, from their rocky fastnesses, periodically give the Soviet new trouble. The Armenians have several times retaken Erivan, the Armenian capital, and lost it again; the city was last re-entered by the Red forces on April 2. Notices received on June 5 indicated that the dispossessed Armenians had joined forces in the provinces of Karabagh and Zanghezur, on the border between Armenia and Azerbaijan, with the ousted Azerbaijani, who refuse to be reconciled to the despotic rule of the Soviet. The Georgian Government, headed by Schamyl, has taken refuge in the fortress of Gounib.

Many atrocities were committed by the Russians in their invasion of Tiflis, where corpses were piled in the squares. The Azerbaijani, who had worked against Soviet rule on Georgian soil, received especially cruel treatment. Many of them were executed. Reports from Georgia and Azerbaijan indicate that the Soviet rule is corrupt, despotic and inefficient. The price of everything has enormously increased. Transport and food conditions are deplorable. The temper of these two peoples is hostile in the extreme to the Soviet administration. Of this the Moscow leaders are very well aware, and they have shown a tendency to allow the local leaders more influence than elsewhere in Sovietdom. Of this the recent oil concession at Baku granted to England by Azerbaijan gives some indication.

Azerbaijan is particularly the object of anxiety on the part of outside Governments, who have long competed for the rich resources of the Baku oil fields. The French formerly controlled these. Then came the Dutch, and lastly the Bolsheviks, who are exploiting the oil product vigorously. Thousands of barrels of oil are being sent to Soviet Russia every month. The recent concession to England (reported from Latvia on June 11) shows that Great Britain intends not to be left out. Some observers

of the Caucasus situation declare that the union of Caucasus nations concluded in Paris shows that the French are again seeking for oil control. This view was repudiated by the *Paris Temps*, which commented as follows:

It goes without saying that the French Government has not tried to influence their negotiations, or to derive any special benefit from them. It is natural that they should work in France, for France is the traditional friend of those who fight for liberty. The Supreme Council of the Allies has recognized the independence of Armenia, Azerbaijan and Georgia, and the fourth republic, that of the mountaineers of the Caucasus, is showing to the Bolsheviks that they will never rule tranquilly upon its soil. We hope

that the Governments of these four Caucasus republics, when they shall have retaken possession of their countries, and even before, will succeed in establishing good relations with the Turkish Government of Angora. For the nations of the Caucasus, an accord with Turkey is an essential condition of their emancipation. Russia, their other neighbor, has need of emancipation herself ahead of everything else.

The answer which may be given to those who see little value in the new compact of exiled Governments is this: Not so very long ago the present rulers of Czechoslovakia and Yugoslavia were exiles in France and elsewhere. The plans and compacts which they made in foreign countries have now been translated into realities.

THE ARMENIAN MASSACRES

To the Editor of Current History:

You have published, in your July issue, an article entitled "Why Talaat's Assassin Was Acquitted." The author of that article, George R. Montgomery, ought to have mentioned the book, "The Memoirs of Naim Bey," from which he has bodily lifted the facsimiles of the telegrams and their translations. "The Memoirs of Naim Bey," published by Hodder & Stoughton, London, was prepared by Aram Andonian, an Armenian journalist, who was deported from Constantinople to Der Zor. Andonian writes as follows in the introduction to his book as to how he secured these documents:

For two years and a half I had been pursued by persecution, living in hiding, now in Aleppo, now in Damascus and Beirut, and sometimes in the Lebanon, till the English entered Aleppo, bringing liberty with them. Some friends from Adana then reminded me of Naim Bey, and promised to satisfy my great desire to see him. Considering his long term of office in the General Deportations Committee at Aleppo, it seemed to me that he ought to know a great deal—everything, in fact.

"The departure of the Turks from Aleppo, after the arrival of the English, was something like the escape of criminals," he said to me.

"I, having a clear conscience, did not wish to join them, and I stayed."

As the Government of the Young Turks has caused the documents concerning the massacre of Armenians to disappear, we had no official evidence to show. It was this want which Naim Bey supplied by handing over to us a great many official documents, Ministerial telegrams and decrees to Governors sent on behalf of the Ittihad Committee, which had passed through his hands during his term of office under the General Deportations Committee of Aleppo, some of which he had kept, perhaps fearing future responsibility; one part of those documents he has written from memory, and the most important ones are photographed and published in the present work.

In justice to Mr. Andonian and to the authoritative standard of your magazine these facts should be set forth.

ARSHAG MAHDESIAN,

*Office of the New Armenian, 949 Broadway,
New York, July 5, 1921.*

[The facsimiles of Talaat Pasha's telegrams were reproduced from Aram Andonian's "Documents Officiels Concernant les Massacres Arméniens," published in Paris by H. Turabian, and it was from this French volume that Mr. Montgomery drew the main substance of his interesting article in *CURRENT HISTORY*. "The Memoirs of Naim Bey" evidently is the English translation of the original work just mentioned.—EDITOR.]

THE CURIOUS MUDDLE OF THE GRECO-TURKISH WAR

A month of vanished hopes and intrigues over the problems of the Near East—Greece rejects intervention while sleeping on her arms—Angora playing off one power against another—Turkish hostility concentrating on Great Britain

[PERIOD ENDED JULY 10, 1921]

THE situation in the Orient, down to July 10, became seemingly more muddled than ever—in spite of the reassuring words of Winston Churchill, the British Colonial Minister, uttered in the House of Commons on June 14 about the necessity of Franco-British unity in the Near East; nor was the muddle clarified when Earl Curzon, the British Foreign Minister, went to Paris and joined with M. Briand and the Italian Ambassador in drafting a formula by which the good offices of the Entente might be used to intervene with the Nationalist Turks on behalf of Greece—a formula which the Turks rejected.

The attempts at cordial co-operation by London, Paris and Rome were constantly thwarted by ignorance of the true situation, as shown by the press of these capitals reacted upon by the obvious intrigues there of agents sent out from Angora. The situation is so paradoxical that both Athens and Angora believe that each may profit by its continuance, as they imagine they observe the waning of the morale, if not the material strength, of the Entente. It will be shown, however, that both are nurturing an illusion: The seeking of an inexpensive formula on the part of the Entente really exhibits no signs of fundamental weakness.

There have been few changes in the purely military situation. The Greek and Nationalist armies still face each other, with periodic feint attacks at various points. The Greek evacuation of the Ismid Peninsula was followed by reported atrocities on both sides and the landing of American marines to protect American educational and missionary property and the lives of those identified with it. There was an unconfirmed report that General Gouraud, the French High Commissioner of Syria, had renewed hostilities against the Kemalists.

The British fleet came into full control of the strait and General Sir Charles Harrington increased his army at Constantinople; but there was no change in the proclaimed British neutrality, and the best the Greeks could believe from the situation was that an attack by the Kemalists on Constantinople would eventually bring Great Britain to their side. Indeed, Austen Chamberlain, the Government leader in the House of Commons, intimated as much on June 23. But Mustapha Kemal Pasha has been careful not to provoke that contingency.

The Greek army in Asia Minor, although arrayed in uniforms of various nations, possesses particularly good footgear, and a formidable, although varied, armament, and plenty of food. Its wages are not paid, but the Greek Government seems to have plenty of money for military necessities. Where does the money come from? Opinion is divided in Athens between private American and British sources and the hypothecation of the \$16,000,000 Greek balance still due on the Washington loan made M. Venizelos, the payment of which was stopped when King Constantine returned.

In default of a meeting of the Supreme Council, which could not at the moment be arranged, Lord Curzon went to Paris on June 17 and returned to London on June 20. Meanwhile, among other things, he had arranged, with the French Premier and the Italian Ambassador, an identical note to Greece. According to the account of Mr. Chamberlain in the House on June 23, this note expressed conviction that renewal of Greek and Turkish conflict in Asia Minor contained no prospects of enduring pacification of the East or a solution compatible with the real interests and ultimate capabilities of either party. So, as a mere discharge of international duty and as an ob-

ligation of friendship, they were prepared to attempt reconciliation if the Hellenic Government would place its interests in their hands. If outside intervention or advice was found unacceptable, the abandonment of an action thus made fruitless would make the Greeks responsible for the consequences of a renewal of hostilities.

The Greek Government was invited to return a prompt reply to this proposal. The three allied representatives then proceeded to discuss the terms in question and arrived at a general agreement as to the lines on which they would proceed.

On June 25 the Athens Government replied to the note declining politely to receive the intervention of the Entente at that time. It pointed out that Greece was merely striving to execute the Treaty of Sévres, to which all had been parties, and that the proposal of the Entente could not be considered unless it guaranteed the rights of Greece in Smyrna and Thrace as set down in that instrument. The rest was, of course, open to arbitration.

On June 6, Mustapha Kemal Pasha had issued a proclamation which read:

We absolutely refuse to enter into pour-parlers with the British. Our military movement will have such repercussions that the liberation of the whole Moslem world will follow, and Egypt and India will become completely independent.

In spite of this, General Harrington sought a personal conference with Kemal, suggesting as the places of meeting a British warship and then Ineboli. The idea was abandoned on July 10, when it was reported that Kemal's reply "was of such a nature that it was deemed useless for the British commander to make the visit."

It had, nevertheless, been reported that, in certain circumstances, Great Britain would be willing to withdraw its support to the Sultan's Government at Stamboul and permit the Nationalists to occupy Constantinople. These rumors, as well as the assumption of power by General Harrington over the High Commissioners at Constantinople, encouraged the French press to advise its Government to take advantage of the situation and to assume the preponderant influence in the Near East supposedly about to be abandoned by Great Britain. It also suggested that General Harrington be rebuked for acting without consultation with the Interallied Commission. Rumors of the same doubtful character reached the

Paris press, on July 10, telling of a Balkan alliance with the aid of Kemal Pasha against Greece. It was said that this alliance had been hatched at Sofia and had found approval at Belgrade and Angora, and that its point of attack would be Thrace and Macedonia. It is obvious, however, that Bulgaria, which is on its good behavior toward the Entente, would not seriously instigate such an enterprise, and that Serbia, whatever its enmity toward the Greece of Constantine, would not engage in it.

Meanwhile, Bekir Sami Bey, the Foreign Minister at Angora, who was obliged to resign when the treaties he had negotiated with France and Italy at London were denounced by the Grand Parliament at Angora, has not been idle. He has been traveling from Angora to Rome and from Rome to Paris and London, adding to the confusion by conflicting interviews. Both in Rome and Paris he pointed out to interviewers that England alone was the obstacle which prevented a perfect understanding between his Government and Italy and France. Of more importance as showing the trend of intrigue was the statement made to the Paris press in regard to his mission by Dr. Nihad Rechad Bey, the Angora representative there. Dr. Nihad said:

Unfortunately, in Turkey there is a conviction that England has not yet given up the policy of utilizing the Greeks against the Turks, and has not yet decided to replace Greater Greece by the Ottoman Empire. * * * An essential factor in the Turkish situation is the fact that all parties believe that Great Britain is the dominating influence in the situation. All Turkish parties are unanimous in believing that the recent Greek attack certainly found encouragement and even approval from certain British official quarters. * * * We are still waiting a *geste britannique* which shall strike the imagination of the nation as of old. We wait in vain.

At Angora, while Italy is quite ignored, anti-French propaganda has been replaced by anti-British. The semi-official Hakimiet Millie vigorously urges the defeat of Greece because it will be "the first Moslem victory over Great Britain," and adds:

Outwardly powerful, Britain really resembles a palace of cards. It is undermined by strikes, most of her industries are idle, thousands are bankrupt, millions are unemployed. The British Empire is beginning to totter. In fact, savage fanatical Europe is already in decomposition, and the Great Powers are passing through their last days.

HARD PROBLEMS IN PALESTINE AND MESOPOTAMIA

An explanation of the new British policy in the Middle East, and of the obstacles it is encountering—French hostility to England's plan for making Emir Feisal King of Mesopotamia—Papal protest against the Zionist enterprise in Palestine

[PERIOD ENDED JULY 10, 1921]

ALTHOUGH the problems of the Near and Middle East, so far as they affect France, Italy and Greece, still measurably depend upon the result of the conflict between the last-named country and the Turkish Nationals, those affecting Great Britain depend more directly upon the action of the British Parliament on the ratification of the Palestine and Mesopotamia mandates. Such ratification would shift the responsibilities now being borne by the Imperial War, Colonial and India Offices to the shoulders of the United Kingdom, until, with the mandates fully executed, the Foreign Office would alone be concerned.

Several events occurred in the last half of June which, while not perhaps bringing the day of ratification nearer, clearly revealed the drift of British policy away from its original conception and emphasized the nature of new responsibilities as well. These events were Pope Benedict XV's allocution in regard to Palestine, the speech of the British Colonial Minister on the situation, the publication of the text of the Mesopotamia mandate, and the antagonistic comments of the French press in regard to the change of British policy, although this change had been shown to be more favorable to French interests.

During the post-bellum régime of M. Venizelos in Greece, deductions made from the speeches of Lord Curzon and A. J. Balfour revealed that the primary conception of the British policy was, in the first place, to create an auxiliary Greek Empire controlling, by agreement with Downing Street, the whole littoral of the Aegean, and dominating the approaches to Constantinople; and, in the second place, to establish a series of dependencies, including Palestine, Mesopotamia, Persia and the Kingdom of Hedjaz. With the *volte-face* of Greece, this policy has gradually given way before the exigen-

cies of political events, and a new one has developed, which ignores the aspirations of the Constantine régime and leaves France and Italy pretty much to their own devices. At the present time this new policy has reached the point where the seemingly triumphant progress made in Palestine has encountered formidable obstructions to its primary object—the establishment of a home land for the Jews. This opposition, both internal and external, comes from the Catholic hierarchy, from Bolshevik propagandists and from the Arabs, who have just dispatched to London an important delegation of malcontents. The Mesopotamian policy, also, is now meeting with strong objections from both the British taxpayer and the officially inspired French press; and Persia, thanks to the attitude of the United States, the repudiation of the Anglo-Persian Treaty and the intrigues of Lenin, seems very remote indeed from Downing Street.

It is important to note that the diplomatic relations between the Vatican and the Quai d'Orsay, restoring to France the prerogatives of the protecting power over Catholics in the Levant, had been fully re-established when the Pope, in the course of an allocution addressed to the secret Consistory of June 14, made the following declaration:

The situation of Christians in Palestine not only is not improved, but has been made worse by the new civil arrangements which aim, if not in their author's intention, at least in fact, at ousting Christianity from its previous position to put the Jews in its place. We therefore warmly exhort all Christians, including non-Catholic Governments, to insist with the League of Nations upon the examination of the British mandate in Palestine.

This language is plainer than is usually customary in Papal diplomacy. Still, it is consistent with the policy of the Vatican

first enunciated at the Consistory of March 10, 1919, when the central idea was more or less veiled.

Ever since Winston Churchill's return from his mission to the Levant in early June, the British Parliament had eagerly awaited a statement from the Colonial Secretary. This statement was made in the House of Commons on June 14, and seemed to be the lecture of an observing traveler rather than the defense of an imperial policy. By deduction and inference, however, it proved to be a defense, a very eloquent defense.

COLONIAL SECRETARY'S STATEMENT

The Secretary reassured his hearers in regard to financial matters. Although the expenditures for the fiscal year 1919-20 for Palestine and Mesopotamia had been between \$350,000,000 and \$400,000,000, he said, those of 1920-21, if the present policy continued unchecked, would not be more than between \$45,000,000 and \$50,000,000. As a basis for his ethnic and religious observations on Palestine he stated the facts in regard to numbers—there were 500,000 Moslems, 65,000 Christians and about 65,000 Jews. He ignored the official complaints of Christians, but explained those of the Moslems on the ground that the enthusiastic declarations of the Zionist organizations through the world, with their ardent hope and aim of making Palestine a predominantly Jewish country, peopled by Jews from all over the world, had alarmed the Arabs, who particularly feared the Jews from Central Europe. This was a misconception, he declared. There had been brought into Palestine under the mandate only 7,000 Jews, and future immigration would be limited to the capacity of the industries of the country to absorb it.

At the beginning, the Colonial Secretary emphasized in a graphic manner the circumstances which had caused the empire to assume its present responsibilities, and indicated, rather than described, the change of policy already noted, by showing how the affairs of the Middle East were being transferred from the India and War Offices to the Middle East Department of the Colonial Office—a bureau of his own creation at the urgent solicitation of the Prime Minister. The following is the illuminating background for superimposed future events, as he sketched it:

During the war our Eastern army conquered Palestine and Mesopotamia, overran both these provinces of the Turkish Empire, and aroused the Arabs and the local inhabitants against Turkey. We uprooted the Turkish administration, and set up a military administration in its place. We gave pledges to the inhabitants that Turkish rule should not be introduced in these regions, and, in order to gain the support of the Arabs against the Turks, we, in common with our allies, made another series of promises to the Arabs that we would reconstitute the Arab Nation, and, as far as possible, restore Arab influence and authority in the liberated provinces.

In regard to Palestine, a third promise was made in 1917 of an important character, that Great Britain would, if successful in the war, use her best endeavors to establish a Jewish national home in Palestine. After the war we entered into the painful period of peace negotiations. The principle governing the disposal of the conquered Turkish provinces and of the German colonies was decided by the Supreme Council in Paris during 1919, and their conclusions were embodied in the Treaties of Versailles and Sèvres and in the covenant of the League of Nations. They were approved of on behalf of Great Britain by the whole Cabinet of those days, and acquiesced in by Parliament. Under these treaties we have solemnly accepted the position of mandatory power for Palestine and Mesopotamia. That is a serious responsibility.

He then described the conditions in Mesopotamia which had led to the nomination of Prince Feisal as the head of State:

First, a provisional native Government has been in existence for a good many months. It is our intention to replace this in the course of the Summer by a Government based upon an Assembly elected by the people of Irak, to install an Arab ruler who will be acceptable to the Assembly, and to create an Arab army for national defense. We have no intention of forcing upon the people a ruler not of their own choosing, but as mandatory power we cannot be indifferent to the choice. The situation is not free from delicacy or uncertainty, but I think I am right in leaving these matters in the hands of Sir Percy Cox, British High Commissioner. He is accustomed to deal with Arab notabilities, and I hope under his guidance the people will make a wise and free choice, but I think it necessary to state the view which the British Government takes of what would be the best choice of ruler.

Broadly, there are two policies which can be adopted toward the Arab race. One is the policy of keeping them divided and using the jealousies of one tribe against another. The other policy, and the one which is alone, I think, compatible with the sincere fulfillment of our pledges, is to attempt to build up around the ancient capital of Bagdad, in a form friendly to Britain and her allies, an

Arab State which can revive and embody the old culture and glories of the Arab race.

Of these two policies we have definitely chosen the latter, and if you are to endeavor so to shape affairs in the sense of giving satisfaction to Arab nationality you will, I believe, find that the best structure to build around—in fact, the only available structure of this kind—is the house and family and following of the Shereef of Mecca. It was King Hussein who, in the crisis of the war, raised the Arab standard against the Turks. Of his sons, who gathered around the standard, the Emir Abdulla and Emir Faisal are best known here, and both have great influence in Irak.

The adherents of the Emir Faisal have sent him an invitation to present himself to the people and the Assembly which is soon to gather together, and I have caused the Emir Faisal to be informed that no obstacle will be placed in the way of his candidature, and that, if chosen, he will receive the support of Great Britain. If he should prove acceptable to the people and the Assembly a solution will have been reached which offers, in the opinion of the highest authorities, the best prospects for a happy and prosperous outcome.

Mr. Churchill added that as soon as the Arab Government had been established and a ruler chosen, the British Government would then "enter into negotiations with that ruler to enable us to readjust our relations with Mesopotamia upon a treaty basis, thus recognizing in a more direct form their independence, and thus still further disengaging ourselves from the problems, burdens and responsibilities of those embarrassing regions."

According to his information, there was more danger in Palestine at the present time than in Mesopotamia, although in the former place the trouble, if it arose, could be more easily dealt with. In regard to the Balfour declaration about Palestine being converted into a national home for Jews, he said:

The difficulty about this promise of a national home for the Jews in Palestine is that it conflicts with our regular policy to consult the wishes of the people in a mandatory territory, and to give them representative institutions as soon as they are fitted for them, which institutions they would certainly use as a veto on all further Jewish immigration. I believe, however, that with patience and coolness and some good fortune we shall be able to find our way. The British Empire has been built up by optimists and by positive assertions rather than bad negations.

There are in Palestine 500,000 Mussulmans, 65,000 Christians and 65,000 Jews. There have been brought into Palestine this year under the Zionist scheme about 7,000 Jews.

This immigration, with the propaganda, has greatly alarmed and excited the Arab population. * * * The Arabs believe that in a few years they are going to be swamped by scores of thousands of immigrants, pushed off their lands, deprived of the scanty food of the country, and gradually lose control of their institutions and destiny. As a matter of fact these fears are quite illusory. * * *

The Jewish immigration is being watched both from the point of view of numbers and character. No Jews will be brought in beyond the number that can be provided for by the expanding development of the resources of the country. There is no doubt whatever that at the present time the country is greatly under-populated.

I defy any one seeing work of this kind not to feel that the British Government, having taken up their present position, cannot cast it aside or allow it to be rudely and brutally uprooted and overthrown by a fanatical Arab population attacking from outside. It would be a disgrace to allow this to take place. With a proper development of the resources of Palestine, and if Jewish capital is available for the creation of irrigation works on the Jordan, I have no doubt there will be, year by year, new means of livelihood for a moderate number of Jewish immigrants, and that will conduce to the general prosperity of the country.

I see no reason why there should not be a steady flow of Jewish immigrants into the country, accompanied by a general increase in the well-being of the whole population. We cannot possibly agree to allow the Jewish colonies to be wrecked or future immigration to be stopped without definitely accepting the position that the word of Britain no longer counts through the East or the Middle East.

The draft of the mandate for Mesopotamia follows the general scheme of the Palestine mandate (See CURRENT HISTORY for March, page 509), with the exception of certain details of procedure which will be pointed out, and the separate object for which each was made: the aim of the former is the establishment of an independent Arab Nation; that of the latter is the establishment of "a national home for the Jewish people."

Although the mandatory system has been introduced into the covenant of the League of Nations, the opposition in the British Parliament has not lost sight of the fact that there is nothing in the covenant imposing a duty upon the United Kingdom to accept a mandate. This point was emphasized the other day by Lord Robert Cecil in the House of Commons. But a mandate, when once accepted, cannot be modified in any way except by the consent of the Council of the League of Nations. For this rea-

son the British Parliament is scrutinizing the Palestine and Mesopotamia mandates with some care, lest the United Kingdom be committed to responsibilities beyond its strength.

THE MANDATE FOR MESOPOTAMIA

According to Article 1, the mandatary has the duty of framing, within three years from the date of the coming into force of the mandate, an "organic law" for Mesopotamia, which must be framed in consultation with the native authorities and contain "provisions designed to facilitate the progressive development of Mesopotamia as an independent State."

Article 2 defines the duties of the mandatary in regard to the maintenance of troops for defense and for the preservation of peace until the "organic law" or Constitution shall go into effect. However, the control of foreign relations is entrusted to the mandatary (Art. 3), who is made responsible (Art. 4) "for seeing that no Mesopotamia territory shall be ceded or leased to, or in any way placed under the control of, the Government of any foreign power."

The mandatary is to be responsible for observing that the judicial system established shall safeguard the interests of foreigners, the law, and, "to the extent deemed expedient," the existing jurisdiction with regard to questions arising out of certain religious beliefs (Art. 6); and the mandatary undertakes to insure to all "complete freedom of conscience and the free exercise of all forms of worship, subject only to the maintenance of public order and morals" (Art. 8). Articles 9 and 10 forbid discrimination against any religion, race or language and exact protection for missionary establishments. For these things the mandatary is responsible (Art. 11) as it is to see that there is no discrimination "against the nationals of any State member of the League of Nations (including companies incorporated under the laws of such State) as compared with the nationals of the mandatary of any foreign State in taxation, commerce or navigation, or in the exercise of industries or professions."

Upon the coming into force of the "organic law" an arrangement is to be made between the mandatary and the Mesopotamian Government "for settling the terms

upon which the latter will take over public works and other services of a permanent character, the benefit of which will pass to the Mesopotamian Government," and such arrangement is to be communicated to the League of Nations (Art. 15). An obligation is thrown upon the mandatary by Article 16 of making "to the Council of the League of Nations an annual report as to the measures taken during the year to carry out the provisions of the mandate."

FRENCH HOSTILE TO NEW POLICY

In the course of his speech, Mr. Churchill had taken pains to reassure France in regard to the change of British policy in the Middle East. He said:

The general policy which we are pursuing of working with the Shereeffian family is in no way opposed to the interests of France. On the contrary, it is the surest method open to us of securing France from disturbance in Syria by Arab influences, with which she has unhappily disagreed.

It would be deeply injurious to both if France and Great Britain should be unable to act together in the Middle East. It would be absolutely fatal to our joint interests if the impression were to continue, as it has done during the last two years, that one country was indifferent to Arab aspirations, and that the other was specially opposed to the Turks. In such a way we should unite all the forces in those lands in hostility against us at the very time when we wish to reduce our military forces and the heavy expense to which both countries are put thereby. If we wish to maintain our position and to discharge our responsibilities in the Middle East, England and France must show appeasement and friendship toward both the Turks and the Arabs.

Notwithstanding these words, there were serious critical articles in the Paris papers of June 15, with concentrated censure of Great Britain's patronage of Prince Feisal. The *Echo de Paris* observes:

Mr. Churchill announces that the Emir Feisal, traitor to the oaths he took and driven from Damascus by the French, will reign at Bagdad, while his brother, Abdullah, will act as Regent over the Transjordan country. We can scarcely rejoice over such news, which is contrary to certain assurances brought to us by Lord Hardinge on his arrival in Paris. * * * So long as our British friends continue to make use of it (the Hedjazian theocracy) to flatter Pan Arabism, the East will continue to furnish us with unpleasant surprises.

The Temps said much the same in a milder tone, and so did Auguste Gauvain in the *Journal des Débats*.

PERSIA'S PLANS UNDER NEW LEADERS

[PERIOD ENDED JULY 10, 1921]

BETWEEN June 4 and June 11 Persia inaugurated a new Cabinet with the Shah's approval. The new Prime Minister emphasized the neutrality of the nation, and at once began to put into effect the financial clauses of the Moscow Treaty (see June CURRENT HISTORY, page 526) by first establishing the Russian Bank as the State Bank of Persia, with branches in the provinces. This is the first example of Lenin's recognition of capital in a treaty made with a foreign Government. The transfer of Russian gold has already begun across the Caucasus and the Caspian Sea. With this treasure at Teheran the Moscow Government will be in a position to play a new rôle in the Middle East. Few details of the affair have become known, but those few fill with concern both No. 10 Downing Street and the India Office, Persia's new Cabinet is made up as follows:

Prime Minister and Home Affairs—GHEV-AM-es-SALTANEH.

Foreign Affairs—MOHTACHEM-es-SALTANEH.

War—SARDAR-SEPAH.

Minister Without Portfolio—MOSTACHAR-ed-DOWLEH.

Education—MOMTAZ-ed-DOWLEH.

Posts and Telegraphs—MOCHAR-es-SALTANEH.

Justice—AMID-es-SALTANEH.

Public Works, Commerce and Agriculture—ADIB-es-SALTANEH.

Health—FAHIM-ed-DOWLEH.

In his speech from the throne, the Shah on June 22 outlined broadly the plans for the future. These included the convocation of the Senate, the organization of the army, administrative reforms, the balancing of the budget, agricultural development, and improvement in the living conditions of the peasants. In regard to foreign policy, Persia would seek friendly relations with all countries and would seek admittance to the League of Nations. The entente with England, based on the abrogation of the Anglo-Persian agreement of 1919, was to be consolidated. Closer ties with Soviet Russia and Afghanistan, following the conclusion

of the recent treaties with those nations, were to be established.

Ghevam-es-Saltaneh, the new Premier, explained these plans more at length in his ministerial statement issued on June 7. Here are the main portions of that statement:

My Government has firmly resolved to reopen Parliament, and to gain the support of the legislative authorities. My first efforts will be toward the development of the army on solid modern bases. My Government will strive, in addition to this program, to solve two great problems: (1) Social reforms, and amelioration of the lot of the peasants; (2) Economic reforms, the exploitation of agricultural and mineral resources of the country, the opening of roads, the creation of means of transportation and the gradual elimination of unemployment.

These two problems embrace the following reforms: (a) The engagement of experts and specialists, an extension of agriculture, reform in respect to the treatment of the proletarian peasants by landed proprietors; (b) The former Bank of Discount will be handed over to the Imperial Government, and will henceforth be recognized as the State Bank. It will be represented in all provinces, and its capital will be provided from all the country's resources; (c) Mining and other resources will be exploited by specially created Exploitation Societies under labor guarantees; (d) Necessary credit will be obtained, and a domestic loan will be issued in order to create institutions indispensable to the country; (e) Considering that financial reforms are an indispensable condition of all reform, the Government will endeavor to suppress all useless expenses, and to cover the budget deficit by new domestic revenue. The Government is firmly resolved to cover any eventual deficit by way of internal loans; (f) Public instruction will be developed, and if necessary the moneyed class of each region will be appealed to for aid in covering the deficit in the budget for primary schools; (g) All justified judiciary reforms will be carried through, preceded by the abolition of the capitulations; (h) Sanitary institutions will be created in all the provinces.

Animated only by the desire of attaining the moral and material welfare of the nation, my Government counts on the support of its beloved sovereign and on public confidence, and will strive to express faithfully these principles until the program laid down is fully completed.

JAPAN FOR A CONCILIATORY FOREIGN POLICY

*Extraordinary Council in Tokio decides on withdrawal from Siberia and Shantung—
Direct negotiations begun with the United States to solve all controversies—The Japanese
movement for armament reduction*

[PERIOD ENDED JULY 10, 1921]

THE trend observable in Japanese foreign policy during the last few months is distinctly one of conciliation. As the time for the renewal of the Anglo-Japanese treaty drew nearer, the Japanese leaders showed unmistakable anxiety to allay the admitted feeling of hostility existing abroad on account of Japan's alleged imperialism.

One of the most impressive evidences of this new trend was the calling of a mixed military and civil colonial conference in Tokio. This council extraordinary opened on May 16. Although the sessions were not public, it was semi-officially understood that the whole colonial policy was thoroughly discussed with the high colonial officials especially summoned to attend the conference. The Government's policy in Manchuria, Korea and Siberia was given especial attention. Measures were considered to check the activities of the Korean insurgents in Manchuria, and it was decided—according to Japanese papers of a semi-official standing—to ask the Far Eastern Republic at Chita to co-operate in checking these activities. It was the sense of the council that a withdrawal from Siberia should be effected as soon as possible, and that trade and other agreements should be made with the Far Eastern Republic at Chita which would tend to stabilize the conditions prevailing. Proper control and supervision of the Koreans was to be made a condition of Japanese withdrawal ("and an excuse for remaining longer," comments the Japan Chronicle in its issue of May 26).

Regarding Japanese policy in China, it was decided to withdraw the Japanese troops in the interior of Shantung Peninsula, retaining a regiment only at Tsingtau as a proof to China of Japan's sincerity in offering to return the peninsula to Chinese sovereignty. The Maimichi, a paper pub-

lished at Osaka, stated that the necessity of withdrawing the Japanese garrison now stationed in the zone along the Shantung Railroad had long been recognized by the Japanese Government, and that delay in carrying out this withdrawal had been due solely to the failure of China to provide an adequate policing force. The new plan was to effect the withdrawal first, and then to press China again to begin negotiations for the retrocession of the territory. Besides the withdrawal, it was planned to abandon Japanese rights over collieries and other mines and salt fields, as well as other rights acquired under the Versailles Treaty, and to sanction the opening of the district as a commercial mart by China on her own initiative. It was proposed to obtain the consent of the Diplomatic Advisory Council and other official bodies concerned for the policy outlined, and strong hope was expressed that by making these concessions China would finally be persuaded to negotiate.

With regard to the controversy with the United States over the Japanese question in California and the Island of Yap, it was announced from Washington on June 15 that Japan had initiated new discussions through the Japanese Ambassador to Washington, Baron Shidehara, aiming at the settlement of all matters in dispute. Students of Far East policy saw in this move an attempt by Japan to place herself in a stronger position in respect to the renewal of the Anglo-Japanese Treaty, one of the great stumbling blocks to which, in the minds particularly of Canada and other British Dominions, has been the belief that the treaty embodied a threat to the United States. (Baron Shidehara has made a public statement denying that the treaty has any unfriendly meaning toward the United States. An appeal from prominent

Japanese residents in California asking Japan to send a representative Japanese statesman to give a series of lectures in California expounding Japan's pacific, non-militaristic purposes, had been received by Tokio on June 17. It was stated that a distinguished member of the House of Representatives would be chosen for this purpose.

A more or less unofficial delegation of Japanese Congressmen arrived toward the end of June. They came to repay the visit of American Congressmen to Japan last year. Received and entertained cordially, these visitors declared that all controversies between the two countries were susceptible of adjustment. They further stated, after an extended visit to California, that the conditions there were much more favorable to the Japanese than they had been led to believe before leaving Japan. Mr. Nakanishi, Chairman of the delegation, denied that Japan, in seeking a renewal of the treaty with England, had any thought of future hostilities with the United States. One of the purposes of his mission, he stated, was to report on the possibilities for a reduction of armament, which the people of Japan desired, as one means of lightening their taxes.

Much has been done to spread this desire for reduction by Mr. Yukio Ozaki, former Minister of Justice, who for a number of months has been conducting a campaign for disarmament covering 10,000 miles of territory in Japan. Mr. Ozaki ended his long speaking tour—an event unparalleled in the history of Japan—on July 4. He had spoken in almost all the important cities and towns from Kyusho in the furthest south to Hokkaido in the furthest north, addressing more than 100,000 people at 100 meetings. Postcards distributed and returned showed that 94 per cent. of his hearers favored limitation of armament.

Speaking specifically for the United States, Mr. Ozaki said.

I should like to convey this message to the people of the United States. If the American Government proposes an international conference to discuss restriction of armaments, it will surely be the beginning of a solution of all the diplomatic questions between Japan and the United States. If we are unable to prevent the clearly unnecessary wasteful naval competition, how can we expect to solve other irritable and more complicated questions between our two countries? The

latter will easily adjust themselves when the former has been settled.

A resolution urging Japan to take the lead in bringing about armament reduction was adopted by the Osaka Chamber of Commerce on June 24. A copy was handed to the Japanese Cabinet. It advocated that both the United States and Great Britain be approached with a proposal for reduction. A similar move was made by the Japanese League of Nations Union on June 29, in a resolution which also urged a settlement of the cable controversy with Washington over Yap, and the Shantung question, which it declared to be a source of prejudice to Japan throughout the world. The Chugai Shogyo, on the other hand, a Tokio daily, declared that it was for the United States to take the first step toward armament limitation, and declared that Japan could not understand the action of the United States Senate in passing the Borah amendment for naval reduction, and at the same time voting for an increase of the naval appropriations passed by the House of Representatives. The Yomiuri of Tokio came out with an article declaring that war was more than likely if the present causes of irritation continued, and suggesting that the only remedy was a mutual agreement for disarmament, whereby all suspicion of Japan's alleged militarism would be eliminated.

Viscount Kaneko, member of the Japanese House of Peers and former representative of Japan to the United States, in a contribution to Japan-America, the organ of the American Japan Society, published in June, urged the appointment of a joint High Commission to meet in Washington and to study the Japanese-American problem with a view to finding a solution satisfactory to both nations.

In contrast with this and other conciliatory suggestions, the American Federation of Labor went on record on June 21 as favoring total exclusion of Japanese and other Orientals from the United States, and the absolute repeal of the "Gentlemen's Agreement." "In California alone," said the resolution, "there are over 100,000 Japanese. This peril is not only a serious condition for California, but it is a positive menace to our entire nation." (The recent census showed only 71,942 Japanese in Cali-

fornia. These figures were contested by the Japanese Exclusion League on June 25, which declared that the figures of the California Bureau of Vital Statistics showed the real number to be 109,000, and that approximately 38,000 had escaped the census.)

Hanzo Yamanashi, Lieutenant General in

the Japanese Army, was appointed Minister of War to take the place of Lieutenant General Tanaka, who resigned late in April. The new War Minister was Chief of Staff of the Japanese Army during the siege of Tsing-tao, captured from the Germans in the World War.

VLADIVOSTOK CAPTURED BY ANTI-BOLSHEVISTS

The maritime capital is seized by armed forces formerly under Kappel, and they set up a new Government hostile to the Far Eastern Republic—Moscow's protest to Great Britain meets with a rebuff—The Chita Government's struggle for existence

[PERIOD ENDED JULY 10, 1921]

THE chaotic situation in Siberia has been rendered more chaotic still by the success of the partisans of General Kappel, a former leader under Admiral Kolchak, in taking Vladivostok and expelling the Socialist Government established there and ruling as a branch of the ambiguous Far Eastern Republic functioning at Chita. Strong in its backing by Moscow, the Chita Government had repeatedly called on Japan to withdraw her forces and leave the Russians to manage their own affairs without interference from the outside. Similar demands had been made by Krasnoshchekov, the Chita Premier, on the British and French representatives. But just as Japan gave signs of being impressed by the growing strength of the buffer State, when it seemed as though she would recognize the de facto existence of Chita, and open trade agreements with her, the ever-active and menacing activities of the Kappelites culminated in the capture of Vladivostok, an anti-Bolshevist, anti-Chita Government was established over Vladivostok and the Maritime Province, and Japan's reputed intention to effect at least a partial withdrawal was nipped in the bud.

The Chita Government's violent protests to Japan, to Great Britain, and even to the United States, had no effect. Moscow, incensed by this new danger to her protégé, sent an intemperate protest to the British Government, charging that the overturn in Vladivostok was engineered by

Japan. This protest was answered by a curt note and the return of Tchitcherin's letter, on the ground that such charges against another nation, supported by no proof, were unprecedented in diplomatic procedure.

In addition to this menace of a new anti-Bolshevist movement, which might spread out from Vladivostok and engulf all Siberia, Chita had been confronted by an advance by another anti-Bolshevist leader, General Ungern Sternberg, from Mongolia, with a motley army of Mongolians, low-class Japanese and Russian soldiers of fortune. The Republic's army had defeated Ungern, but future attacks were feared. Chita also turned an anxious eye to the West, in view of the capture of Omsk by anti-Bolshevist elements, which cut off the small republic, ostensibly non-Communist, from the "mother-country," viz., Soviet Russia. This, in the large, was the parlous situation which faced the Far Eastern Republic at the time these pages went to press.

Eastern Siberia is so far away that few people realize the bewildering series of kaleidoscopic changes that are occurring there. Bad as the political situation in European Russia may be, and it is bad enough, it is favorable as contrasted with Siberia. The original Japanese force which joined with the British and Americans in the original occupation and remained behind after Japan's allies withdrew, has

grown into a formidable army. Unmoved by the protests of the Russians and the Chita Government, the Japanese militarists have maintained and strengthened their grip, have extended their line of occupation, have taken over the Saghalin fisheries and, if the charges of the Vladivostok and Chita Russians be believed, have pursued a policy of favoring every element opposed to peace and order in Siberia. Every faction which opposed the Japanese, it was charged, was disarmed, while those which favored the Japanese were allowed to retain their arms, and secretly encouraged. To such a policy was attributed the tolerance by the Japanese of a large army of Kappelites at Grodekovo, in the Ussuri region between Harbin and Vladivostok, an army variously estimated as between 12,000 and 25,000 unoccupied, predatory and law-defying soldiers, whose behavior had made them a source of terror to all the inhabitants of the district.

To understand the gathering of this anti-Bolshevist army at Grodekovo, it is necessary to follow the movements of Kolchak's scattered army following the overthrow of the Omsk Government. While Kolchak was still waging his war with the Bolsheviks two of his strongest adherents in the Far East were the Cossack Ataman Semenov in the Trans-Baikal region, and Ataman Kalmykov in the Amur Province. After Kolchak's fall Ataman Kalmykov was the first to be eliminated. Defeated by the Partizan Russian forces at the end of 1919, he was forced to flee into China. He was thrown into prison by the Chinese and was shot while attempting to escape. A part of his forces then gathered at Grodekovo, under the command of General Savitzki, and organized themselves anew for a continuance of the struggle with the Bolsheviks. Meanwhile they sought the protection of the Japanese and abstained from any aggressive attitude toward the population.

Ataman Semenov continued his reign of desperate deeds in Chita and the Trans-Baikal. After the elimination of Kalmykov and the withdrawal of the Japanese forces from this region, Semenov's position became precarious. His forces, unsupported by the Japanese, were easily defeated by the Partizans in the Fall of 1920, and Semenov himself was forced to take flight. He went first to Vladivostok, and

then to Port Arthur, where he was said to be living under the protection of the Japanese, and where he issued various orders as "Commander in Chief of the Far Eastern Army and Navy"—a title he had assumed on the downfall of Kolchak—in which he declared his intention to continue the struggle against Bolshevism. Meanwhile his dispersed troops, headed by General Saveliev, made their way through Manchuria and, drawn by the forces of attraction, joined with the remnant of Kalmykov's army at Grodekovo.

Several months later, a new stream of Kolchak soldiers poured into Grodekovo. This was the army of General Kappel, another Kolchak leader. After suffering defeat by the Bolsheviks in the region of Omsk in the Fall of 1921, Kappel led his shattered army on a spectacular and dramatic march to the East. Through nearly the whole of Eastern Siberia, across frozen snows and through bitter cold, decimated by typhus, suffering hunger, this ragged army marched, losing thousands on the way by cold and disease. General Kappel himself perished as the result of having one of his feet frozen. His men, or rather what was left of them, finally reached the goal of their long Odyssey—Grodekovo—and a certain part of them there joined with the remnants of the Kalmykov and Semenov armies, which, thus reinforced, made up a host approximating 8,000 seasoned warriors. New accretions brought this number much higher, and it has been estimated even as high as 25,000. According to the Vladivostok News of April 13, this large force continued the reign of atrocity which has been deemed by competent observers to be the cause of Kolchak's downfall, pillaging, burning, shooting, whipping, and so on, deeds which had already stained Semenov's reputation in the Trans-Baikal long before Kolchak fell. The whole Ussuri region was terrorized, and many of the population fled to Vladivostok, bearing with them harrowing tales.

Under the impression of these reports, the Provisional Government at Vladivostok strove to take measures to end these abuses. They sent a formal complaint to the Japanese command, which was suspected of favoring the armies at Grodekovo, and received no reply. The Russian Chairman of the Russo-Japanese Truce

Committee dispatched a long memorandum to the Chairman of the Japanese section of this committee, stating that he had reported the outrage at the last meeting of the Truce Committee, and that the Japanese representatives of the Truce Committee had expressed surprise, and stated that they had no knowledge of the existence or activities of the Grodekovo forces. The memorandum then cited a number of specific outrages which had been committed by the Grodekovo forces and outlined a program of military action to be carried out by the Vladivostok Government, and with which it asked the Japanese to make no interference.

This campaign, however, was never carried out and the Kolchak elements waxed strong and flourished. The bulk of the Kappel army was interned by the Japanese in and around Vladivostok. They had many friends and partisans in Vladivostok itself, and in April last this element made an attempt to seize the city and overthrow the Government. This attempt failed, and about 100 of the leaders were ignominiously deported. The activities of the group, however, continued, assuming a monarchist trend, and former officers of Kolchak swanked and swaggered, not only in Grodekovo, but in Vladivostok, boasting that the end of the Vladivostok-Chita régime was in sight. The Japanese commander, General Tachibana, in a statement issued late in April, denied absolutely that the Japanese were favoring the Kappelists, either those at Grodekovo or those in and around Vladivostok, and in view of the report of a coming overthrow in Vladivostok, declared that he had sent warnings both to Grodekovo and to General Semenov that Japan would not countenance such an upheaval. In case it should occur, he added, Japan would show strict neutrality between the factions, and would disarm all armed groups found in the Japanese sphere impartially.

The rumors of a coming cataclysm proved to be well founded. On the morning of May 26, the Kappelites, under the leadership of General Verzhbitski, advanced from Nikolsk and seized the city. The railroad stations and several public buildings were taken over, and the old imperial flag of Russia raised. The Japanese maintained their previously announced policy of neutrality.

The chief of staff announced that the Kappel troops had entered the city at the request of the non-Socialist organizations. The invaders disarmed all the local militia. The streets were filled with Kappel soldiers. The towns of Razdolnoe and Pokrovka, near Vladivostok, had also been occupied. Members of the National Assembly in Vladivostok were arrested, but subsequently released.

A new Government was at once set up under the leadership of M. Merkulov, a native Siberian, and a mining engineer domiciled in Blagoveshchensk before the war. A proclamation issued by him at the end of May declared that the main object of the new Government was to maintain order and to establish a democratic Government. The Assembly was dissolved, but a new Assembly was summoned to meet in July. Communists would not be urged to serve. The leaders of the former Government had placed themselves under Japanese protection. The policing of the city was shared by the Japanese and the Kappel troops. Order was restored by June 6. Declarations of allegiance to the new Government were pouring in from towns and villages in the whole maritime province.

One curious development was the refusal of the new Government to allow General Semenov to land. Semenov arrived by ship on June 4, soon after the revolution was effected, accompanied by a large staff. His entrance to the city was opposed, and negotiations proved fruitless. The new Government denied emphatically that Semenov was the anti-Bolshevist Commander-in-Chief. The Japanese command supported the new Government in refusing him entrance to the city, and sent the former leader a message saying that the Japanese military authorities deeply regretted that Semenov had timed his arrival at Vladivostok at a moment when his presence there could not do otherwise than augment the already chaotic state of affairs in the maritime province. His landing, said the note, could not but create the impression that the Japanese were assisting him. Semenov finally departed, it was said, to Grodekovo.

The Chita Government, in the face of these developments, showed great alarm, and sent a message to Moscow asking for assistance. A special meeting of the Chita leaders was held late in May, but no action was taken other than dispatching a note

to the Japanese authorities asking them to maintain neutrality. The possibilities of an armed clash between the Chita forces and those of Vladivostok were thoroughly discussed. Though the Chita army greatly outnumbered the Kappelites, there were many factors to be considered. The existence of the Grodekovo forces was one of these.

MOSCOW'S PROTEST

The Moscow Government, however, on being notified of these events, was aroused, and M. Tchitcherin, the Bolshevik Foreign Minister, dispatched a triplicate protest to the British, French and Italian Governments. This protest read in part as follows:

The struggle of the toiling masses of Russia for peace and for the right of self-determination has been subjected to a fresh trial. After gigantic efforts and miracles of heroism, after having valiantly repulsed the united attacks of the internal counter-revolution and of the majority of the foreign powers, they have won the right to govern themselves by their own Soviets of workmen and peasants. They hoped that henceforward they would be able to devote themselves freely to the internal reconstruction of Russia, while co-operating with other countries in their mutual interests in order to attain the economic aims which lay before them. Unfortunately their hope has been shattered by a fresh attempt at intervention from outside, and a fresh combined attack of the Russian counter-revolution and foreign Governments.

Under the protection of Japanese bayonets the White Guards of Vladivostok, who are only a handful, suddenly seized power in that town, and a similar coup has been carried out at Nikolsk, Oussourisk and in other localities in the Japanese occupation. The extreme counter-revolution has thus been re-installed by the Japanese military power in the district under their occupation. The masses of Russian workers and peasants of the Far East have done all in their power to secure an acceptable peace with Japan. They have formed a separate democratic Republic in order to render this peace possible, and with this object the Independent Republic of the Far East signed an agreement with Japan, who was prepared on this condition to withdraw her troops from these areas or (sic) to restore their liberty to the Russian masses of the Far East. In the name of these latter the Government of their republic has made indefatigable efforts to secure a complete agreement with Japan, so that it might live with her in peace and in good neighborly relations; but the Japanese Government replies to its efforts after peace with a fresh violent attack on its internal liberty and its external independence.

The worst enemies of the Russian masses, the extreme reactionaries, whose avowed aim is to conquer Siberia with the aid of Japanese bayonets, and there to become the lieutenants of the Japanese conquerors, have been raised to power by violence in those places where the domination of the Japanese armies extends. But this first step toward an attempt at the conquest of Siberia is not an isolated instance. The Japanese Government has distributed to the capitalists of its own country fishing rights in the waters of Kamchatka, which hitherto belonged to the Russian co-operatives and to others of our citizens. Japan is introducing her control, she is seizing the dues imposed on the fishing areas of Kamchatka; this is an arbitrary seizure, and a pillage of the wealth of Russia, which the Russian Government regards as a violation of the elementary rights of the Russian masses. At the same time, it is with the aid of the Japanese military power that the remains of the counter-revolutionary bands of Semenov and Kappel are maintaining themselves on the borders of China and are occupying the Chinese Eastern Railway, and it is with the assistance of Japanese auxiliaries that the bands of Ungern are terrorizing Mongolia, and are there preparing their attacks against the Russian Republic. The agents of Japanese imperialism are penetrating even into Central Asia, where they are trying to propagate their sedition, and the emissaries of the counter-revolutionary elements of Turkestan are hastening to Japan to elaborate their plans together.

The Russian Republic time after time has reiterated its peace proposals to the Japanese Government, but in spite of all its efforts after peace the Japanese Government is at the present time the instigator of a fresh campaign of intervention against the power of the workers and peasants. The Soviet Government, which represents their will, warns the Japanese Government that the mighty Russian masses who have taken their destinies into their own hands, and have repulsed all the attacks of their enemies, will know how to wage to a victorious conclusion this fresh struggle, and will not fail to make their vigor felt by those who attack them. But the responsibility for these hostile acts cannot be confined to the Japanese Government alone. There are proofs in existence that the French Government, in its implacable hostility against the power of the workers and peasants in Russia, is an active instigator of this fresh campaign of intervention, and is participating in the plan of Japanese conquest in Siberia. Soviet Russia cannot but regard all the powers of the Entente as morally responsible for this fresh link of the interventionist system, which is the joint work of the powers of the Entente. It sees in it, on the part of the British Government, a hostile activity not in accordance with the Anglo-Russian Treaty. The Russian Government protests in the most energetic fashion against these acts directed against Russia, either directly or through the medium of the

friendly republic of the Far East, and reserves the right to draw from it the obvious conclusions.

To this long and vituperative message the British Foreign Office on June 9 sent a crushing reply. This communication, not signed by Earl Curzon, the British Foreign Secretary himself, but by one of his subordinates, was transmitted through M. Krassin, through whom the Moscow message had been delivered. The text of the reply follows:

Sir—I am directed by Earl Curzon of Kedleston to return to you as unacceptable your communication of the 4th instant respecting recent events at Vladivostok. It is neither customary nor conducive to good relations that one Government should in this manner, and without adducing any corroborative evidence, address entirely baseless charges to another, and his Majesty's Government must therefore decline to enter into any correspondence with you on the matter.

The Left Wing of the British Liberal Party and the Laborites, however, did not allow the matter to rest there, but protested and sent a députation as representatives of the "Hands-Off-Russia" Committee to the Japanese Ambassador in London to protest directly against Japanese encroachments in the Siberian Republic, and to declare that unless the Japanese withdrew, organized British labor would take a strong stand against the renewal of the Anglo-Japanese alliance. The Japanese Ambassador denied categorically that the Japanese had participated in the Vladivostok coup, and also denied reports that the Japanese were undertaking to transport the scattered forces of General Wrangel—former anti-Bolshevik leader in South Russia—to the Far East to join with the Kappelites. The Ambassador promised to obtain a reply from the Japanese Foreign Office to the allegations.

Meanwhile the Chita Government on its own behalf transmitted to the American representative at Peking a strong protest against the alleged intervention of Japan in the Vladivostok upheaval (June 23). M. Agarov, the Chita representative, in this note asked both the United States and Great Britain to induce Japan to withdraw her forces. The Chita leaders further pro-

claimed the followers of M. Merkulov to be outlaws and enemies of the Russian people.

What the immediate effect of the coup would be could not be foretold, but the possibilities of an armed clash could not be lost sight of. One effect was to arouse the hostility of the Chita Government to Japan. Hitherto the policy of the Chita leaders has been to bombard the Japanese Government with protests against the continued occupation of Siberia, on the one hand, and to carry on negotiations with Japan for recognition and a renewal of trade relations, on the other. Four separate protests against the occupation were sent between January and May. The Japanese withdrawal became even more remote in consequence of the upheaval, and if the new situation precipitated comes to a clash, the chance of Japan recognizing Chita and opening trade relations seems even more remote. Japan's whole contention has been that she could not withdraw her forces until the situation in Siberia became stable. At present, following the Vladivostok coup, it is worse than chaos. The Chita Government may be snuffed out like a candle flame by the Kappelites and other Kolchak forces. Moscow, whose resentment against the Japanese was eloquently expressed in the note to London, may come to Chita's aid. The situation is dangerous, and some new event may act as a spark to produce some new explosion.

Meantime an American mission, sent by President Harding soon after he assumed office, and headed by Lieut. Col. William J. Davis, left Manchuria on July 7 on its homeward way, bearing a favorable report of the Chita Government based on weeks of personal investigation of the conditions prevailing there. The picture presented is that of a small, courageous and struggling republic beset by a ring of enemies, whose army, ragged and unpaid, fights without hope or glory for the freedom of the new republic. Though admittedly defective, the Government is said to be quite successful in maintaining orderly conditions. The Chita people, though Russians, are said to be greatly afraid of being absorbed by Soviet Russia.

THE MEXICAN OIL CONTROVERSY

Imposition of 25 per cent. export duties on petroleum followed by closing down of many American companies in Mexico—Noteworthy statement by President Obregon—Deadlock over the oil tax question causes indefinite delay in American recognition of Mexico

[PERIOD ENDED JULY 10, 1921]

TWO United States warships, the cruiser Cleveland and the gunboat Sacramento, suddenly appeared off the Mexican port of Tampico early in July. The usual request for permission to visit the harbor of a friendly nation was omitted, perhaps because the vessels anchored just beyond the three-mile limit. On July 5 the Secretary of the Navy announced that the vessels had been sent there to guard against any possible trouble in the oil fields. There were small detachments of marines aboard. The respective commanders had full authority to land forces.

American representatives of the International Association of Machinists, who were attending a convention of the Mexican Federation of Labor at Orizaba, telegraphed to Samuel Gompers, President of the American Federation of Labor, requesting him to enter protest against the statement that American warships were at Tampico to fight labor unions. Mr. Gompers telegraphed the protest to Secretary Hughes, adding that it was "a fair inference" that the warships were "being exploited by the employing interests for the avowed purpose of overawing the workers who are now engaged in a lockout imposed upon them." As a result, it was announced in Washington on July 8 that the warships had been ordered away. They left on the 12th. Meanwhile the Mexicans took the visit calmly, the ships were allowed in port and the sailors enjoyed shore leave for two days.

Washington officials explained the presence of the vessels as due to the desire to protect American oil companies in the event of damage through possible labor troubles, owing to unemployment caused by the oil men's ceasing to export their product. Many members of the Association of Mexican Oil Producers, which represents practically all the American concerns in the Mexican field, had decided to discontinue the shipment of

oil from Mexico after July 1, because of the increase of export taxes effective on that date.

The Mexican Government, instead of being coerced by this action into rescinding the export tax, announced on July 5 that oil companies which had closed down operations in the States of Tamaulipas and Vera Cruz (including the Tampico district) without sufficient justification, had been ordered to pay indemnification to employees thrown out of work. This is similar to a law in France which forbids the dismissal of employees without previous notice or the payment of a month's wages.

British companies, according to Mexican advices, apparently do not fear the 25 per cent. export tax, as they are reported to be speeding up operations instead of decreasing their working forces. Stoppage of shipments by the American companies, it was estimated, would cost them many millions, besides taking away almost 35 per cent. of world tankerage.

President Obregon, in a statement to the press on July 6, said he did not regard the situation seriously, as the oil companies were only trying to make the Government give in. But the Government was unwilling to change the taxes. In regard to the American warships sent to Tampico the President said he had not been notified by the American Government, and Washington had not asked permission, as was customary. General Manuel Pelaez, on July 5, was appointed Commander-in-Chief of the Mexican Government forces at Tampico and was sent there to keep order, which would obviate the necessity of landing American troops for that purpose. On July 6 Senator La Follette at Washington introduced a resolution protesting against such action without the express authority of Congress. Senator Lodge objected to its immediate consideration, and the resolution went over.

A noteworthy statement from President

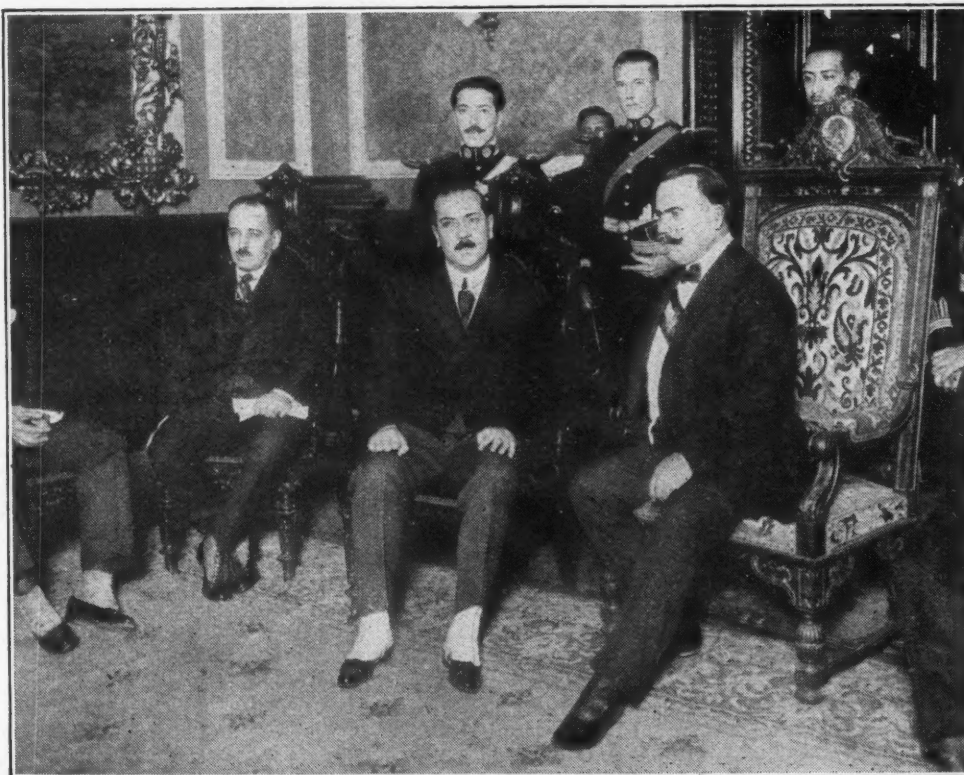
Obregon was published in The New York World on June 27, in which he declared that Mexico would meet every just obligation without evasion. Mexico, he said, was determined to establish a full partnership between the Government and the people for the public good. Her policy was to finance the national progress through the medium of the national resources. Mexico had been called the treasure house of the world, yet 90 per cent. of the Mexican people had lived in horrible poverty, compelled to suffer and die from sheer lack of the necessities of life. Common humanity dictated a change. The country stood today on the principle that the natural resources of a nation belong to the nation. "Foreign capital will be invited and given every justice. What it will not be given is excessive privileges at the expense of the people's rights," the President declared.

In this policy [he continued] there is not even a hint of confiscation. This falsehood is the work of those who resent our policy

of nationalization because it blocks future campaigns of exploitation and monopoly. Every private right acquired prior to May 1, 1917, when the new Constitution was adopted, will be respected. Article 27, one clause of which asserts the nation's ownership of sub-soil rights in petroleum, will never be given retroactive effect.

Coming to the question of taxation: habitual protests and interference force the conviction that the investors of more powerful nations have the idea that we should submit our taxation plans to them for approval. I will not attempt to conceal the bitterness that this course has aroused. Every Federal tax is applied with absolute equality to natives and foreigners alike. The increase in petroleum taxes is for specific application to our foreign debt. To call the tax confiscatory is absurd.

President Obregon next quoted statistics to show that the Doheny oil group pumped close to \$28,000,000 net profits out of the soil of Mexico in 1920, and yet flooded the United States with complaints that the tax policy of the Mexican Government was crushing and ruinous. With regard to land



PRESIDENT OBREGON OF MEXICO (IN ARM CHAIR) CONFERRING WITH ENRIQUE BERMUDEZ, THE NEW CHILEAN AMBASSADOR. CHILE HAS GIVEN FORMAL RECOGNITION TO THE MEXICAN REPUBLIC

monopoly, he said honest taxation would force the landlord either to cultivate his holdings or to sell or lease to the small farmer, hitherto barred from the land.

President Obregon's statement, it was hinted in Washington, had been prepared with the assistance of George Creel, former head of the Bureau of Public Information in Washington, who was in Mexico City.

Although a majority of Mexican Deputies are in favor of establishing clearly the non-retroactive effect of Article 27, the Chamber on June 29 decided to drop the debate for a time and take up the agrarian law instead. Thus a settlement of the oil question appears to be deadlocked until the Mexican Congress meets in regular session in September.

Although it was announced that the increased export tax on oil would be used solely to make payments on Mexico's foreign debt, and these would be begun on July 1, that date passed without any action to this end. The only funds available for interest payments are those in the National Treasury, as oil export tax receipts will not be available until August. The International Bankers' Committee has decided to send no emissaries to Mexico until Obregon is recognized. Pierre Mali, Belgian Consul in New York, has been designated to represent Belgian bankers on the committee.

President Obregon's reforms have made Mexico quieter than it has been for a dozen

years. No real revolutionary movement is afoot, and the Government apparently is able to cope with minor uprisings and bandit attacks. General Rafael Pimiento, who commanded the guard which shot President Madero, was arrested on June 23. Colonel Reyes Salinas, a nephew of Carranza, who took part in Murguia's attempted revolt, was shot on July 3. The League of Nations was shocked on June 18 to learn that an arms factory in Danzig was making 10,000 gun barrels for Mexico. It was explained that the order had been received last October, before the Constitution of the free city was adopted, and the Council of the League dropped the subject.

Mexico, by a vote of 35 to 4 in the Senate, has prohibited the immigration of all alien labor, owing to the large number of unemployed persons in the republic. An international trade conference was opened in Mexico City on June 30. American exports to Mexico in the fiscal year ended June 30 were double those of the preceding year and six times as much as the annual average prior to 1918, approximating \$280,000,000 now. Mexico, for the first time since before the war, is importing American coal, and is buying great quantities of American cattle, significant of the trend to agriculture. The Department of National Property has asked for bids on a new hotel to be constructed in Mexico City to cost no less than 4,000,000 pesos.

THE POTASH MINES IN ALSATIA

BEFORE the war there were three German companies and one French-Alsatian group working the potash deposits in the Mülhausen district of Alsatia. The German companies, which held concessions for two-thirds of the district, were placed in the hands of Senator Helmer for liquidation, and he is said to have accomplished miracles in the way of increased production. M. Helmer found the methods of production hopelessly out of date. He at once introduced a modern system, with the following result: Under the German régime the greatest quantity of crude salts produced was 325,886 metric tons in 1914; under the new French régime in 1920 the same mines produced 1,222,615 tons. It is confidently

expected that the product in 1922 will be more than half a million tons.

The German potash producers sought vainly to regain control of the world market, but their offers to the French Alsatian group were indignantly rejected. When Great Britain, in agreement with France, sought to impose a 50 per cent. duty on German exports, Germany threatened to cut off all further potash supplies. The Alsatian producers at once came forward and offered all the potash required at reasonable cost. Alsatia is now appealing to Great Britain and the United States for an agreement which will eliminate all further danger of German profiteers regaining control.

LAUNCHING THE CENTRAL AMERICAN UNION

Costa Rica stays out, but Nicaragua seeks admission while insisting on protection of its treaty with the United States in regard to a Nicaraguan Canal

[PERIOD ENDED JULY 10, 1921]

THE Provisional Federal Council of the Central American Union began functioning in Tegucigalpa, Honduras, on June 17. Vicente Martinez, delegate from Guatemala, was named President of the Council, and Martinez Suarez of San Salvador, Secretary. A National Constituent Assembly was called to meet in Tegucigalpa on July 20 to arrange for the signing of the Federal Constitution on Sept. 15, the centenary of Central American independence. Foreign Governments were notified of the installation of the Federal Council and Nicaragua was invited to join the union.

The Federal Council, on July 3, gave out a communication from the Foreign Office of Nicaragua, announcing that republic's willingness to join the Central American Union and urging that obstacles to her entry be removed. The chief obstacle was a demand for the abrogation of the Bryan-Chamorro treaty with the United States, which gives the latter authority to construct an interoceanic canal. Nicaragua, before joining the union, will insist that the treaty be fully protected. She also wants a definite undertaking by the union that each State in the federation be permitted to negotiate loans for its own internal use, just as the separate States of the United States may make loans without reference to the Federal Government.

Although the Costa Rican delegates had ratified the Central American compact of union, the Costa Rican Congress refused to confirm their action, hence that country still remains outside. It was announced from San José on June 24 that a protocol preliminary to a definite treaty by which Costa Rica will cede to the United States rights along the San Juan River had been signed by the Costa Rican Government. This treaty will remove obstacles to the work of constructing the Nicaragua Canal and, in view of Secretary Hughes's recent declaration in favor of the Central Amer-

ican Union, it was believed both Nicaragua and Costa Rica would soon join. Emiliano Chamorro, former President and now Nicaraguan Minister to the United States, presented his credentials to President Harding on July 6.

Another possible difficulty for the new federation is a boundary dispute between Honduras and Guatemala. The former claims a strip of territory south and east of the Motagua River, which has always been in possession of Guatemala. With the building of the railroad from Puerto Barrios to Guatemala City, settlements sprang up in this strip of land. Honduras bases its claims on some old Spanish maps and surveys said to have existed when the whole of Central America was known as the Kingdom of Guatemala and was governed by a viceroy.

Dr. Rafael Montufar, former Justice of the Supreme Court of Guatemala and President of the Central American Liberal Congress, says the support of the United States is needed to help the Central American Union. He considers the federation a necessity if the five countries are to be freed from their quarrels and rivalries. "Panama," he says, "which is geographically to be considered part of Central America, should be invited to form part of the union."

Narcisco Garay, Panama's Secretary of Foreign Affairs, who arrived in Washington in June, has been making every effort to settle the boundary dispute with Costa Rica without accepting the White award, which the American State Department holds Panama must accept. He suggested the formation of an American League of Nations to operate in the Western Hemisphere, to which the Costa Rican dispute would naturally be referred. The State Department intimated that the suggestion was not welcome. Next Señor Garay suggested two plebiscites, one in the Atlantic and the

other in the Pacific region in dispute, which were also discarded.

The formal protest of Panama was presented at Washington on June 27, and Secretary Hughes on June 30 decided that Panama must accept the White award, but said the United States had no objection to Panama's dealing directly with Costa Rica to obtain her consent to reopen the award and settle the boundary between them amicably. The Panama mission, on July 7, issued a statement that Secretary Hughes might extend the time granted to Panama in order that a peaceful settlement with Costa Rica may be arranged.

Concessions for oil lands and exploration for other subterranean deposits have been canceled by Costa Rica, according to a dispatch from San José on July 6. The reason given was that the persons who got the concessions had been speculating with them.

Thirty Guatemalan students to be edu-

cated at the expense of the Guatemalan Government have been sent to the United States and Europe by President Herrera.

Salvador's Congress on June 25 approved a contract for the establishment of a bank of issue sponsored by Americans with a capital of \$1,000,000, the concession to run for fifty years; coined gold to the amount of \$5,000,000 is to be imported, and the bank will have authority to issue paper money to double its paid-up capital.

Notwithstanding the reduction of the United States Army, Secretary Weeks, on June 18, announced that the force on duty in the Panama Canal Zone would be maintained at its present strength. A special commission appointed to investigate the civil administration of the zone arrived at Panama on June 18. The tender Beaver and six United States submarines arrived at Cristobal on June 24. John Findley Wallace, Chief Engineer of the Panama Canal in 1904, died suddenly in Washington on July 3.

FROM THE PERSIAN MINISTER

To the Editor of Current History:

Ever since I have been in this country I have taken great delight in reading your CURRENT HISTORY MAGAZINE, because I find that it covers thoroughly all important international questions without exaggeration. I noticed that you had an article on the Persian Cabinet in your issue of June, but I found nothing in your July issue. There have been quite a few important changes in Persia. On June 7 a new Cabinet was formed to succeed the one that had been set up by a coup d'état of the militarists, who held Persia under militaristic powers for over three months. I am happy to say that the new Cabinet, which is headed by his Highness Ghavam-es-Saltaneh, is of very stable form, because the Prime Minister and all the members of his Cabinet are good, sound men, who have held high positions on former occasions.

What I would like to impress upon you is the great importance of the abrogation of the Anglo-Persian agreement of 1919. That agreement was abrogated by mutual agreement with the British Legation at Teheran. Lord Curzon remarked at the time that he esteemed Persia's friendship more highly than any agreement; he also offered any assistance that Persia might need.

I have noticed on different occasions that Persia is referred to as a Soviet Government. Such a statement is absurd, as their Mohammedan religion does not allow Persians to have such a form of government. A denial by you will be highly appreciated.

ABDUL ALI KHAN SADIGH-ES-SALTANEH.

*Imperial Legation of Persia, Washington,
D. C., July 9, 1921.*

GERMANY UNDERBIDS ALL RIVALS IN SOUTH AMERICA

While the whole continent suffers the severest depression in its history, the Germans are making use of the advantage of cheap coal and cheap labor—Steps taken by Brazil and Argentina to encourage immigration—Celebrating Peru's independence

[PERIOD ENDED JULY 10, 1921]

FROM the Isthmus to the Strait of Magellan the countries of Latin America are experiencing an almost complete cessation of business incident to the collapse in prices, and every country in South America is passing through the most critical period of its economic history, according to Louis H. Kiek, General Manager of the Anglo-South American Bank. Despite this condition there is considerable rivalry to get hold of the trade and natural resources of the different countries. Hugo Stinnes, the German capitalist, has put three big steamers—the Hindenburg, Luedendorff and Tirpitz—in service to carry German cargoes from Hamburg to South America. Owing to the fact that coal is only half as costly in Germany as elsewhere, the ships are carrying enough for a round trip; this fact, combined with the low wages of the sailors, enables German vessel owners to underbid American lines.

Several parties of American prospectors are engaged in trips of exploration to the west coast of South America. One party of engineers is bound for the wilderness of Esmeralda, Colombia, looking for oil, gold and other minerals. Another party has left for the mountains of Ecuador.

ARGENTINA—The Hispanic Society of New York gave a dinner on June 24 to celebrate the centenary of the birth of General Bartolome Mitre, first Constitutional President of Argentina. President Harding joined in the tribute in a letter to Jorge Mitre, Director of the Nacion of Buenos Aires, a newspaper founded by the General, whom the President called "one of the foremost statesmen of all America in the epoch in which the independence of the continent was achieved." * * * The general strike called to support the port workers proved a failure. To prevent recruiting by the port union from incoming

ships a Government decree was issued requiring the crews of all ships entering Argentina to carry the same identification documents as are expected from passengers, including passports and photographs; it became effective on July 19. * * * Argentina, however, is making every effort to attract desirable foreign labor, giving free land to settlers in certain parts of the country. The newcomers live as guests of the nation at the Pasco de Julio, the immigrants' hotel, where they receive free board and medical treatment while waiting for location on lands or for the free State employment bureau to provide them with jobs. Their baggage, agricultural machinery or tools for their trades are admitted free of duty. * * * An anti-trust bill, designed to prevent the formation of monopolies and combinations to fix prices, was passed by the Argentine Chamber of Deputies on July 8.

BRAZIL—A dispatch from Paris, dated July 8, announced that Brazil had chosen Elihu Root as one of its candidates for election as Judge of the Permanent Court of International Justice, the other candidates being Ruy Barbosa of Brazil, Joaquin Gonzalez of Argentina, and Professor Alejandro Alvarez of Chile. * * * The North American Chamber of Commerce of Rio de Janeiro and the Brazilian Federation of Commerce on July 4 signed an international arbitration agreement. Contracts have been made with the German Immigration Syndicate for the colonization of 2,000 German families in Santa Maria Magdalena, in the northern part of the State of Rio de Janeiro, their passage money being advanced by the Brazilian Government. Three ships carrying Russian refugees were reported to have left Constantinople for Marseilles, where they were to embark for Brazil. On the other hand, the Imparcial of

Madrid, on June 26, published a list of complaints from Spaniards who had emigrated to Brazil, and who were asking the Spanish authorities for transportation home, because Brazilian employers seemed determined not to engage foreign workers.

CHILE—The resignation of Antonio Hueneus as Chilean delegate to the League of Nations was accepted by the Government on July 2. He resigned because Augustin Edwards, Chilean Minister to Great Britain, had been appointed Chairman of the Chilean delegation. * * * President Alessandri, on June 15, sent to the Chilean Congress the budget for 1922, amounting to 320,000,000 pesos currency and 65,500,000 pesos gold. It showed that the Treasury deficit is expected to reach 121,500,000 paper pesos in 1922, owing to the small amount of nitrate being exported. The nitrate producers, on June 30, decided to reduce their price from 17 shillings a quintal to 14 shillings, and to make a further reduction to 9 shillings 9 pence next March. The Government had threatened to take control of the business unless producers lowered their prices. To avert the threatened deficit the Chamber of Deputies, on June 30, passed a bill providing for an internal loan of 100,000,000 pesos paper and 50,000,000 pesos gold. Reductions in the budget of 60,000,000 pesos were planned, and new revenue bills were expected to raise 60,000,000 more. * * * Beltran Mathieu, Chilean Ambassador to the United States, has signed the issue of \$25,000,000 of bonds to be used by Chile for railroad improvement. It is proposed to construct a new transandean railroad line on a southern route to Northern Argentina, connecting with the principal Chilean coal fields. Argentina, it is believed, would become a good customer for the coal, which could be sold cheaper than that from the United States or Great Britain.

COLOMBIA—President Schultheiss of Switzerland has consented to act as arbitrator in the long-standing boundary dispute between Colombia and Venezuela. As the Swiss President is prohibited from leaving the country, he will appoint experts to visit the disputed districts, and will give his decision after they report. Both Colombia and Venezuela have agreed to accept it as final.

PERU—The dreadnoughts Arizona, Okla-

homa and Nevada, under command of Rear Admiral Hugh Rodman, left New York on July 9 to take part in celebrating the centenary of Peruvian independence, beginning on July 24. Major Gen. Hunter Liggett, representing the army, and four civilians—W. B. Thompson, Dr. William C. Farabee, Stephen G. Porter and A. Robert Elmore—with Rear Admiral Rodman, compose the American Commission. The Rear Admiral was taken on at Hampton Roads. The vessels were to remain at Callao one week. Lord Dundonald was designated to represent Great Britain at the celebration in Lima, and left England on June 22. General Mangin, heading a French mission, on board the cruiser Jules Michelet, stopped at Fort de France, Martinique, on June 20, en route to Callao. Ecuador officially declined the invitation of Peru to take part in the celebration on the ground that Peruvian soldiers who killed a number of Ecuadoreans in a border action had subsequently been decorated by Peru. As a result of her declination Alberto Bressani, Peruvian Chargé d'Affaires in Ecuador, was instructed to quit his post. The Ecuador newspapers advised similar action in retaliation. * * * J. Fernando Gazzani, formerly Secretary of State of Peru, and Jorge Prado, a member of the Chamber of Deputies, arrived in New York on June 23 aboard the steamer Sixaola from Central America. They are two of the twenty-two Peruvians who were ordered deported to Austria by President Leguia, and whose practical seizure of the ship and landing at Punta Arenas, Costa Rica, were related in *CURRENT HISTORY* for July. They deny conspiring against the Government, and expect to remain in the United States until Peru's attitude changes. * * * Fire in the Government House at Lima on July 3 destroyed the northwest wing, containing the Presidential suite and official records. The police reported that the fire was of incendiary origin, and that bombs had been planted or thrown into the part destroyed. Several arrests were made on suspicion. * * * Several British subjects went to Peru early this year through offers of free passage and employment by the Peruvian Government, and failed to obtain it. The British Government, on their behalf, demanded compensation, but Peru neglected to comply, according to a statement in the

House of Commons. Lieut. Col. Amery, Parliamentary Secretary to the Admiralty, said further urgent representations would be made to Peru. * * * The will of John Celestin Landreau, filed for probate in Washington on June 11, appointed Norman B. Landreau, his grandson, heir to the famous claim of the testator's brother, Theophile Landreau, a French scientist and explorer, against Peru for having discovered guano and nitrate deposits in Peru between 1844 and 1856. The original claim for \$100,000 was first recognized by Peru in 1865, but the money was never paid. A protocol was recently signed submitting the claim to the arbitration of a commission. Barton Smith, a Toledo attorney, was named American arbitrator on June 21, and Carlos Prevost, a Peruvian residing in the United States, was named by Peru. These two are to select as a third member a subject of Denmark, Great Britain or the Netherlands to decide on the claim.

VENEZUELA—Dr. Esteban Gil-Borges, Foreign Minister of Venezuela, who pre-

sented the statue of Bolivar to the City of New York last April, sailed for South America on June 15, after receiving the freedom of the city from Mayor Hylan. At the ceremonies Rodman Wanamaker handed the envoy a gold wreath to be placed on the statue of George Washington in Caracas. During his stay Dr. Gil-Borges appointed commercial agents in New York, Chicago and Boston to stimulate trade in Venezuela. * * * An economic survey of Venezuela by a group of eighteen students in the School of Foreign Service of Georgetown University, under direction of Professor G. A. Sherwell, was made public on July 4. It says American goods have always been welcome in Venezuela, but the greatest obstacle to trade has been American selling methods. German and British merchants, the students report, "have always evinced a readiness to adapt their goods to meet the requirements of the Venezuelans, while it has been the policy of Americans in general to attempt to force their customers to alter their requirements to fit American goods."

CUBA'S TRIBUTE TO A FORMER PRESIDENT

Honors paid to the late General Gomez culminate in a riot at his funeral in Havana—Passing of Cuba's financial crisis—Affairs in Haiti and other islands

[PERIOD ENDED JULY 10, 1921]

THERE was a riot at the funeral of General José Miguel Gomez, former President of Cuba, on June 19, in which one person was killed and scores more or less injured. The death of General Gomez in New York on June 13 was recorded in CURRENT HISTORY for July. Religious services were held in St. Patrick's Cathedral on June 16, after which the body, escorted by a battalion of infantry with full military honors, was taken to the Pennsylvania Station and, accompanied by the General's family, was transported to Key West, whence it was taken to Havana in a Cuban cruiser. The rioting occurred at the gates of the old Colon Cemetery, when the General's admirers broke through the police cordon and tried to reach the coffin to carry it on their shoulders into the cemetery. The funeral was one of the greatest popular demonstrations ever seen in Havana. The cortège,

which was two miles long, passed through streets strewn with flowers, while airplanes dropped flowers at the cemetery. President Zayas was the nation's chief mourner, following close behind the General's widow and children.

The worst of Cuba's financial crisis is believed to have been passed with the ending of the moratorium on June 15. Only one bank, the Banco del Proprietario, failed to meet its obligations. Relief is looked for through financial legislation by Congress, which President Zayas called to meet on July 18. Plans for a banking institution similar to the Federal Reserve System of the United States were prepared as one of the suggested remedies. President Zayas was hopeful the credit of Cuba could be restored to a point that would make possible the floating of a foreign loan. Government limitation of the next sugar crop to 2,500,-

000 tons was also proposed, which would be a reduction of 36 per cent. from this year's estimated crop of 3,900,000 tons.

American bankers, who discussed a loan to Cuba, decided to await word from Washington as to its advisability. A report from General Crowder was in the hands of the Government on July 10, and it was expected that the decision would be largely guided by his advice. One proposal discussed by President Zayas and his Cabinet was to issue a loan for \$40,000,000, and with the proceeds buy up the surplus sugar and dispose of it on long-term credits to foreign countries. There was little hope of selling in the United States, owing to the new tariff of 2 cents a pound on imported sugar. At such a rate, Cubans say, they cannot compete against Porto Rico, Hawaii and Louisiana sugar or against beet sugar.

Cuba is endeavoring to offset losses on sugar by increasing her pineapple crop, which, for this year, is estimated at 900,000 crates, valued at \$4,500,000. She is also curtailing Government expenses, the budget being reduced from \$104,000,000 to about \$65,000,000. Government bonuses to public employes are eliminated, the War Department appropriation has been cut from \$1,500,000 to \$940,000, and \$1,000,000 has been saved in the Treasury Department.

HAITI—Harris Lipschitz, formerly of New York, who had been engaged in land deals in Haiti, was murdered at Cavaillon, a small community near Aux Cayes, on June 13. The murder was reported to Washington the next day by Colonel John H. Russell, commandant of the Marines at Port-au-Prince. The Colonel indicated that the murder was the result of an attempt at robbery. In a letter to Ambrose L. Welch of New York, Lipschitz had predicted that he would be murdered as a result of a long-standing disagreement with certain marine officers, one of whom he accused of attacking his wife and sister-in-law. He said natives were being incited against him by officers, and that he expected to be assassinated. He was preparing to leave the island pursuant to an order of deportation issued by the Haitian Civil Government, at the direction of the American military forces, because he had complained against their treatment.

Secretary Denby issued an official statement on June 15 that Lipschitz's charges had been declared false by a board of in-

quiry, which met last year. Representative Isaac Siegel of New York wrote to Secretary Hughes, asking for a full inquiry into the murder. Mr. Siegel said that in the investigation of the charges last year Lipschitz was regarded rather as the defendant than as a prosecutor. Investigations into the murder have been started by both the State and Navy Departments.

On June 13 the Navy Department made public an order of Colonel Russell prohibiting articles or speeches attacking the American forces in Haiti, the President of Haiti or the Haitian Government. Trials of persons accused of making trouble were transferred from the Haitian courts to those established by the American forces under an order issued by Colonel Russell on May 26. This action was under authority given by the Secretary of the Navy. Representative Siegel characterized it as military despotism, "in contravention of every fundamental principle upon which the United States Government is supposed to rest."

SANTO DOMINGO—An enormous demonstration in favor of the unconditional withdrawal of the United States military forces from the Dominican Republic was held in Santo Domingo City on June 19. The desire was expressed that Santo Domingo assume no further obligations than the convention of 1907, providing for assistance by the United States in the collection and application of the customs revenues. The Archbishop, members of the Supreme Court, lawyers and the Faculties of the university took part in the meeting and protested against the American offer of conditional withdrawal. [For extended treatment of the subject of American withdrawal see pages 809 and 813.]

BRITISH WEST INDIES—Canada is not complete commercially or geographically unless associated with the West Indies, Winston Spencer Churchill, British Colonial Secretary, declared at a banquet given to the Prince of Wales in London on June 18 by the West Indies Committee. * * * Jamaica has been suffering from the slump in sugar, and unemployment is increasing. Some estates have suspended operations, and others intend to close unless the Government grants a loan. Hundreds of Jamaicans are returning from Cuban cane fields, and many will have to be brought back by the Government.

PUTTING BUSINESS ON ITS FEET AGAIN

An analysis of the complex causes that retard the return of prosperity in both foreign and domestic trade—Goods overproduced in the high-price era now a handicap to readjustment—Figures showing decline of exports from various countries

IT would be a comfort, indeed, to bankers, exporters and manufacturers who must take the foreign markets into account in even the smallest way—to all the innumerable interests, in fact, whose plans must give consideration to trade conditions in countries other than our own—if it were possible to read the changes in international conditions as a barometer is read, and to say, for instance, there seems to have been in July a 10 per cent. improvement over June. Many attempts have been made to reduce the complex factors which determine international conditions to some single index which would make such a determination possible. No one has yet met with success.

Great dependence is placed upon the condition of the exchanges. Daily records are kept and published in the financial sections of newspapers and in periodicals devoted to foreign trade. Over some periods the alterations in the exchange situation have indeed seemed to reflect changes in general business conditions, and justification seems to exist for the effort to forecast future movements from those of the immediate past and present. How wide of the mark such prognostications are frequently apt to strike was well illustrated by the recent remark of F. A. Govett, Chairman of the British Zinc Corporation, when he told his stockholders: "It sounds Gilbertian, but there is the solemn fact that until you can rectify the exchange by putting these countries on their feet, and by re-establishing them in normal relations to ourselves, they are going to take the trade and make the profits, until equilibrium again results, while the victorious country whose credit still is good is going to suffer all the misery and poverty of broken trade and unemployment."

ADJUSTING THE ECONOMIC CHAOS

Mr. Govett referred, of course, to the Central European Powers. Comment of The Economist upon this remark cannot be im-

proved upon. Of it The Economist said:

This view that a depreciated exchange benefits the country that suffers from it was much in evidence during the debate on the "Safeguarding of Industries" bill. It was stated by Sir Alfred Mond, who attended on May 31, to be "the fact, which every economist will admit, that the country with an abnormally low exchange is receiving indirectly an enormous subsidy on exports. My honorable friend surely will not deny a proposition which is to be found in every shilling textbook on political economy." However this may be—and Sir Alfred might well oblige the world with a list of all these shilling economic textbooks that explain things so clearly—Sir Godfrey Collins, speaking on June 7, was able to cite some facts which seemed to show that this alleged subsidy is sometimes singularly ineffective, and that, at least under present circumstances, the direct contrary of depreciation can be accompanied by wonderful export activity. He showed that while Italy, with a depreciated currency, exported in 1920 about one-third—in 1913 values—of her pre-war total, America, with an appreciated currency, increased her export trade by 60 per cent. in pre-war values over her pre-war total. Clearly the rate of exchange is only one item in a very tangled problem, now, as always, not of those countries which have most vigorously debased their currency. The world's trade seems to be in the hands, cies, but of those whose organizers and workers will work hardest and most efficiently for the lowest profit and wages. If it were merely a question of currency debasement, Russia, Poland and Austria would be our most formidable rivals.

This aspect of the question was very clearly brought out by Mr. McKenna in the important address delivered to the Institute of Chartered Accountants on the subject of international debts, with special reference to the economic effects of the German indemnity payment. The Chairman of the London City and Midland Bank did not touch at all on the question of exchange. "At this moment," he said, "wages in Germany—I speak, of course, of real wages—are not more than half those paid in this country, and yet the German workman is laboring for long hours with great efficiency and with apparent contentment, or at any rate acquiescence. We may

perhaps find the reason for this industrial docility in the superiority of his present lot over his recent conditions. Though the German workman may be ill paid now, by comparison with what he endured in the war he is tolerably well off." In Mr. McKenna's belief this acquiescence in a low standard by the German worker may continue—"provided he receives such bare means of subsistence as will maintain his energy, it is possible that he will submit until the national obligation is discharged." If so—and it is a large assumption to which Mr. McKenna was careful not to commit himself—the position that arises is one that should be very seriously considered by our labor leaders and by all those responsible for the conduct of our industry; for in any case, even if the German workman is less docile than Mr. McKenna expects, there can be no doubt that the stimulus given to German industry by the need for meeting the indemnity payment will produce competition in neutral markets, which will seriously affect those of our enterprises which produce goods of a kind which our late enemy is best able to export.

Industry, whether agricultural or other, cannot pay the worker more than he helps to produce without very soon going bankrupt. As Sir George Touche told the meeting of the Trust Union:

"Many wage-earners took too literally the rhetorical promises of politicians at the last general election about a greatly improved standard of living for all. After enjoying dreams of a great national prosperity, and enjoying the uneconomic rates paid out of capital and loans during the war, it was hard to come down to a wage which each industry could afford to pay. Resistance was inevitable, but the alternative was no wage at all. It was time some statesman of commanding influence took his courage in his hands and told the people, who were ready to face facts, the plain, uncompromising truth."

Unfortunately, our statesmen of commanding influence, having deluded the electorate in 1918, now prefer to mend matters by not telling the truth—perhaps because they know they would not be believed after the failure of the former promises—but by a system of protection giving industry the hothouse treatment which is most unlikely to brace it to meet German competition. By their safeguarding industry measures they admit that they will raise prices, and they embitter labor's already exasperated feelings by raising prices at a time when the workers are called to accept wage reductions.

With such leadership as this the country is heavily handicapped in facing the problem that Mr. McKenna has stated for it so clearly—perhaps to the point of rather overstating it. His belief that the German Government can always keep down the workman's standard by issuing more paper money seems to assume that the latter will

consider only the money rates of his wages and not their real buying power; and his conclusion that "if Germany is able to meet her obligations, she will in doing so gravely impair our own international trade," assumes a limitation on the world's power of consumption which need not exist if the world will have the sense to leave off quarreling and devote a little attention to developing and enjoying its resources. The remedy that he proposes—of demanding payment from Germany in coal, timber, potash and sugar—can only, as he admits, be applied to part of the reparation payment, and its effect on our coal industry would seem to be the same as that of payment in manufactured goods on our manufacturing enterprise. We are bound, in order to meet our American debt, to export goods and receive none in return, and the sale of our investments during the war means that we shall have less goods to receive on interest account. Goods and services that we can claim from Germany for reparation will help to fill this gap, and although the industrial competition of a great debtor is a new feature in the economic landscape, it should stimulate rather than terrify us if we can secure industrial peace and if our rulers will refrain from dosing our enterprise with unwholesome quack remedies.

THE ONLY ROAD TO PROSPERITY

The conviction that hard work, more hard work and only hard work will put the world again on its feet is held universally by the economists and thinkers of all nations. There is no other easier path to what we call normal conditions, although, unfortunately, the belief is still widely held in too many and too varied quarters that some such path does exist. The fact that a little knowledge is a dangerous thing has perhaps never been exemplified better than by present conditions. Before the World War few persons, except those whose profession it was to be informed, made pretense to much knowledge of international banking or economic conditions.

Today the economist has found a place in many of our leading banks and businesses. It is a step in advance for business, but it is a beneficent development of a situation which has at the same time less desirable features. Just as corporations have come to an appreciation of the value of the economist and his work, so the smaller business man down the line, even to the so-called man in the street, has acquired a notion of economy and its purposes; a notion so hazy, however, as to be apt to do him more harm than good. To too many men

economics implies some necromancy by which results may be accomplished without labor, some device by which ends may be attained without the effort which was once recognized as essential to achievement.

This nation, like other nations, is passing through that phase of the economic cycle which ordinarily would have been marked by business failures, and, before the creation of the Federal Reserve System, probably by a financial panic. The banks prevented both the one and the other. Businesses which once would have collapsed into the hands of a receiver were tided over by the banks, and the process of deflation, which, under other circumstances, might have resulted in a general rapid crash, was slowed down to a gentle pace, which enabled worthy businesses to weather the storm, but which, unfortunately, at the same time persuaded unworthy enterprises that they could avoid paying the price of their speculative ventures.

International prosperity can come, of course, only when Europe recovers industrially from the effects of the war. A much greater degree of prosperity than exists at the moment can be attained here, however, by a proper understanding of existing conditions, and the right effort to put them under proper control. Liquidation and deflation, which it was the part of wisdom to slow down at the outset, have now apparently been slowed down too much; it would seem that the time had come when pressure should be exerted to bring into line those industries which have been slow to recognize the trend of the times, and which seem hopeful even now of holding on until the mistakes of their own overproduction at a time when price was no object may be passed on to the ultimate consumer at approximately those same high prices.

HIGH PRICES A HANDICAP

Steel prices and the prices of building materials, goods at retail and finished manufactures have lagged too far behind raw materials in the price decline, and wages and railroad rates are clearly in need of sharp revision downward. B. M. Anderson Jr., economist of the Chase National Bank of New York, commenting upon those conditions said recently:

The general credit situation is strong and thoroughly under control. The losses consequent upon the drastic decline in prices

have been great, but they have been widely diffused. Moreover, the immense surpluses accumulated by great businesses of the country during the war and post-war boom have constituted a buffer to break the shock of readjustment. That is what surpluses are for.

The organization of our banks under the Federal Reserve System has made possible a degree of intelligent co-operation in handling the credit problems of readjustment which no one could have anticipated a few years ago. Our banks have extended credit freely to all solvent business men, and no unnecessary insolvencies have occurred. In previous crises the sheer inability of banks to advance additional credit often meant that, in addition to the necessary insolvencies, many solvent businesses were also pulled down. In the crisis through which we have just passed, it has been possible for solvent men to bring their slow assets into play and to borrow from banks what they needed to meet their quick liabilities.

Despite the strength of the credit situation, however, business stagnation is very great; and while some lines are improving, other important lines, notably steel, are on the down grade. There is a great deal of unemployment, and a great deal of work on part time. Profits also are dwindling. Every day that this continues makes the general situation less satisfactory, since it cuts under the buying power of the public, making further readjustment necessary. It is highly essential that something be done to break the deadlock and to start activity again.

It must, of course, be recognized that we cannot have really satisfactory business in the United States until European conditions improve. But it is possible for us to have much better business in the United States than we now have without improvement in Europe, if we will speedily complete our own domestic readjustment. The consuming power of our one hundred-odd million people in this richest country of the world is enormously great, even in periods of depression. And both consumption and production in the United States today are much below what they need be if certain domestic obstacles can be got out of the way.

The thing that is needed is a leveling down of certain elements of prices and costs which have so far resisted the general downward move. We must restore the price and cost equilibrium. The greatest resistance to readjustment has been in retail prices, steel and its products, building materials, wages, especially in the building trades and on the railroads; finished manufactures, as compared with raw materials; and railroad rates on bulky articles. When these things shake down in line with the general price decline, a substantial general revival should speedily follow, and a real building boom is probable. From a boom in the building trade, activity in many other

lines would grow. This leads to the question what the banker can do to facilitate a revival of business. We have, on the one hand, the clamor for more abundant bank loans and cheap money rates. Cheaper money is desirable, when, and if, it comes naturally, as a consequence of the liquidation of loans and the accumulation of funds in the banks through liquidation. Artificially cheap money as a substitute for real capital is undesirable. Those who are urging most vigorously the policy of easy credits seem to want them for the purpose of delaying liquidation and delaying readjustment. The chief idea seems to be that, if goods can be withheld from the market, they can be sold at a later time for higher prices. In other words, the call is for bank money to be used for speculative purposes. We have had enough of that in recent years. We must get down to bedrock and fundamentals, and strike a level of prices and costs which the markets will trust and on the basis of which goods will move. We must not make loans which will permit the withholding of goods from the market. We should, on the other hand, make loans freely to those solvent business men who have markets in sight.

The danger of a money panic is over now. The credit system has proved its strength. Moreover, the last few months have led to the accumulation of an immense body of accurate credit information. The banks of the country know, as they have never known before, the condition and standing of their customers. They know where the strength is, and they know that, on the whole, the situation is immensely strong. They know, on the other hand, where the weak spots are, and they know with accuracy and precision just how weak they are. They know which concerns can really pull through and which ones cannot. They know which of their customers are maintaining prices that are too high and are borrowing money in the vain hope of avoiding losses through later improvement in prices. It is possible, therefore, for the banks today to do what they could not have done with safety three or four months ago. They can safely and intelligently put on additional pressure in the direction of liquidation.

We can now recognize that, in averting a panic, we have taken care of too many weak concerns. We have slowed down the readjustment too much, as we have lessened its severity. The time has come, in the interest of the country as a whole, to put additional pressure on the weak spots, to clean up the wreckage, to clear the decks, and to get ready for the next upward move. Nothing so begets confidence in the markets as a knowledge that, through forced liquidation of substantial stocks of goods, bottom prices have been reached. Nothing will so promote the revival of business activity as the creation of the open, competitive markets which such a process

involves. Those markets which have kept most actively competitive have seen their worst. Forced liquidation in wheat, for example, brought low levels a good many weeks ago. The wheat market has had a very substantial improvement since. The same appears to be true in silks and in other lines. Those industries which have delayed their readjustment longest have done themselves harm and have done the country harm. The existing stagnation, with the steady pressure of overhead charges and with the steady curtailment of the buying power of the public, is much worse than the losses which prompt readjustment would involve. The duty of the banker under these circumstances is clear. He should not be party to policies which will continue the stagnation, and he should not lend funds to enable shortsighted men to delay the recognition of inevitable facts. We can have substantial business revival in a reasonably short time if we will force the pace of readjustment faster.

A "RAGGED" SITUATION

Mcantime, what is the condition today? Economic tendencies have been conflicting: that is, some have tended to lower the level of business activity, while others have served to hasten the movement of recovery which has been noticeable in some lines for the last few months. The situation at best, however, must be called ragged. Some lines have reached a point of recession where whatever changes occur should be for greater activity and increased prices. At the same time, it is clearly evident in other lines that the period of readjustment is nowhere near its close, and for these the outlook should be continued recession, with prices and wages discovering ever lower levels. Unemployment is still widespread. Conditions in some lines—notably agriculture and the basic industries—seem, however, to be improving; but at best it cannot be said that stabilization has been reached, or that deflation in industry has reached a point where buying for the future can be bold and unhesitant. This failure of buying activity tends to delay stabilization in various lines, just as it was occasioned by this lack of stabilization; and a so-called "vicious" circle seems to have developed, which large interests, among them New York bankers, are striving to break by assistance in a movement to "Sell Now." The present period is certainly one of transition, and the time is not yet when courageous buying for the future will be undertaken by any other than the most daring

In the international field, trade seems to be upon the decline. The last Board of Trade figures for the month of June—Great Britain's foreign trade—show total imports of £88,180,000; exports of British products, £38,150,000; reimports of foreign merchandise, £7,080,000; total exports, £45,230,000, and excess of imports, £42,950,000. Details of this showing follow:

	June, 1921.	June, 1914.
Exports of British products	£38,150,000	£39,872,976
Re-exports of foreign goods	7,080,000	8,753,434
Total exports.....	£45,230,000	£48,626,410
Imports	88,180,000	58,281,653
Excess of imports.....	£42,950,000	£9,855,243

For France figures are available in detail only as late as April, although totals are at hand for May. These show imports in April of food 390,345,000 francs, raw materials 887,151,000 francs, manufactured articles 501,593,000 francs, total 1,779,089,000 francs, as against exports of food 176,333,000 francs, raw materials 468,453,000 francs, manufactured articles 1,179,683,000 francs, parcel post 107,799,000 francs, total 1,932,268,000 francs, an excess of exports over imports of 153,179,000 francs. For May total imports were 1,565,504,000 francs and exports 1,648,644,000 francs, an excess of exports of 83,140,000 francs. For Germany figures are not available.

DECREASE OF BRITISH EXPORTS FOR THE MONTH OF JUNE

Compared with May of 1921, the June statement shows the following changes:

Expts. British products.....	decreased	£4,938,410
Re-expts. foreign goods.....	decreased	151,836
Total exports	decreased	5,090,254
Imports	increased	1,871,692
Excess of imports.....	increased	6,961,946

Compared with June of 1920, the changes are as follows:

Epts. British products.....	decreased	£78,202,350
Re-expts. foreign goods.....	decreased	13,043,928
Total exports	decreased	91,246,278
Imports	decreased	82,311,230
Excess of imports.....	increased	8,935,048

The trade for June, 1921, compares as follows with June, 1920, and June, 1919:

Exports of	1921.	1920.	1919.
British products	£38,150,000	£116,352,350	£64,562,465
Re-exports of foreign goods	7,080,000	20,123,928	11,963,960
Tot. expts.	£45,230,000	£136,476,278	£76,526,425
Imports	88,180,000	170,491,236	122,874,390
Excess of imports	£42,950,000	£34,014,952	£46,347,975

For the six completed months of 1921, the changes from the same period of the previous year are as follows:

Exports of British products	decreased	£268,574,095
Re-exports of foreign goods	decreased	86,158,123
Total exports	decreased	354,732,218
Imports	decreased	461,570,737
Excess of imports.....	decreased	106,768,519

The trade for the six months ended with June 30, 1921, compares as follows with the same period of 1920 and 1919:

Exports of	1921.	1912.	1919.
British prod'ts	£368,892,789	£637,466,884	£334,756,132
Re-exports of foreign goods...	49,682,925	135,841,048	55,434,295
Tot. expts.	£418,575,714	£773,357,932	£390,190,427
Imports.	571,763,947	1,033,334,684	716,787,426
Excess of imports.	£153,188,233	£259,956,752	£326,596,999

Exports of British products during the last twelve months compare as follows:

	1921.	1920.	1919.
June	£38,150,000	£116,352,350	£64,562,465
May	43,088,418	119,319,422	64,344,632
April	59,867,585	106,251,692	58,482,412
March	66,808,961	103,699,381	53,108,521
Feb.	68,221,731	85,964,130	46,914,921
Jan.	92,756,094	105,879,909	47,343,281
	1920.	1919.	1918.
Dec.	96,630,523	90,858,233	38,282,035
Nov.	119,364,994	87,110,531	43,218,879
Oct.	112,295,474	79,061,145	42,820,724
Sept.	117,455,913	66,500,628	40,152,143
Aug.	114,903,335	74,773,597	43,522,237
July	137,451,904	65,315,691	43,644,398

Imports during the same periods compare as follows:

	1921.	1920.	1919.
June	£88,180,000	£170,491,236	£122,874,390
May	86,308,308	166,414,032	135,612,488
April	89,995,504	167,129,955	112,065,823
March ..	93,741,654	176,647,515	105,752,979
Feb.	96,973,711	170,434,526	106,689,341
Jan.	117,050,783	183,342,988	134,456,436
	1920.	1919.	1918.
Dec.	142,785,245	169,602,637	116,243,378
Nov.	144,260,183	143,545,201	116,770,580
Oct.	149,889,227	153,500,587	117,629,803
Sept.	152,692,339	148,588,572	97,995,688
Aug.	153,169,259	148,217,624	110,179,501
July	163,342,351	153,065,760	109,139,238

For the twelve last months the monthly excess of imports after allowing for imported merchandise re-exported, compares as follows:

	1921.	1920.	1919.
June	£42,950,000	£24,014,952	£46,347,975
May	35,988,054	26,834,532	59,772,504
April	21,604,257	40,470,844	40,236,953
March	18,041,688	56,916,777	43,695,209
Feb.	20,747,677	61,866,607	54,655,263
Jan.	14,339,568	51,998,602	82,643,136
	1920.	1919.	1918.
Dec.	33,455,666	52,584,473	74,848,636
Nov.	11,780,330	36,168,261	70,634,051
Oct.	21,460,193	54,797,840	72,690,437
Sept.	21,885,818	63,389,266	53,154,317
Aug.	23,897,577	58,133,102	64,379,929
July	8,041,968	75,992,955	63,472,534

AMERICAN TRADE FALLING OFF

June figures for the trade of the United States are not available at this writing, but those for May's trade show a falling off similar to that experienced by Great Britain. Here are the details:

Exports to Europe during the month aggregated \$177,000,000, compared with \$384,000,000 in May of last year, while for the eleven months ended with May, the total was \$3,231,000,000, as compared with \$4,568,000,000 for the same months of 1920.

Exports to South America during May aggregated \$48,000,000, against \$58,000,000 in May of last year, while for the eleven months' period the total was \$506,000,000, as against \$445,000,000.

Imports from Europe for the month amounted to \$61,000,000, as against \$92,000,000 the same month last year, and for the eleven months the total was \$883,000,000, as compared with \$1,061,000,000.

Imports from South America aggregated \$23,000,000, as compared with \$63,000,000 in May of last year, while for the eleven months the total was \$466,000,000, as against \$780,000,000.

Exports and imports by principal countries during May as compared with May, 1920, follow at the head of the next column:

EXPORTS.

To—	May, 1921.	May, 1920.
Britain	\$80,000,000	\$152,000,000
France	10,000,000	58,000,000
Germany	20,000,000	21,000,000
Italy	23,000,000	33,000,000
China	8,000,000	12,000,000
Japan	12,000,000	44,000,000
Argentina	8,000,000	17,000,000
Brazil	4,000,000	14,000,000
Chile	1,000,000	4,000,000

IMPORTS.

From—	May, 1921.	May, 1920.
Britain	\$19,000,000	\$44,000,000
France	12,000,000	10,000,000
Germany	6,000,000	5,000,000
Italy	7,000,000	6,000,000
China	8,000,000	22,000,000
Japan	23,000,000	31,000,000
Argentina	5,000,000	23,000,000
Brazil	7,000,000	10,000,000
Chile	3,000,000	15,000,000

INTERESTING BANK STATEMENTS

The bank statements of Great Britain, France and Germany are of especial interest in view of the relation of these countries to the gold standard. The relation of Germany, of course, to any such standard is purely an academic one. Her issues of paper money have thrown her so far off the gold standard that it is highly doubtful if

she will ever be able to regain it. England and France, on the other hand, retain the gold standard in their calculations, anticipating a return to it, England with a better chance of success in the opinion of unbiased observers. At left is the most recent Bank of England statement compared with the previous week and the corresponding week in 1920.

From the most general viewpoint the situation today may be said to be one in which improvements of the future are clearly to be foreseen in industry and finance along the indicated lines which experience lays down for them, but these improvements are still in the future, and too much cannot be expected from day to day as progress toward this goal is slowly made.

The latest Bank of England statement:

	July 7, '21.	June 30, '21.	July 8, '20.
Circulation	£129,108,000	£129,006,000	£122,743,000
Public deposits	19,720,000	15,296,000	17,886,000
Private deposits	129,041,000	131,739,000	117,035,000
Government securities ..	63,798,000	61,202,000	52,424,000
Other securities	85,102,000	85,827,000	83,894,000
Reserve	17,710,000	17,810,000	16,443,000
Proportion res. to liab.....	11.90%	12.11%	12.20%
Bullion	128,369,000	128,366,000	120,737,000
Bank rate	6%	6%	7%

The statement of the Bank of Germany is for the weeks of July 7 and June 30, and is in marks:

	July 7, '21.	June 30, '21.	June 30, '20.
Coin	1,102,700,000	1,102,100,000	1,102,100,000
Gold	1,091,500,000	1,091,500,000	1,091,500,000
Bills	1,565,400,000	1,565,400,000	1,565,400,000
Treasury bills	79,607,700,000	79,607,700,000	64,434,100,000
Advances	6,000,000	6,000,000	127,600,000
Investments	282,700,000	282,700,000	258,500,000
State deposits	5,647,300,000	5,647,300,000	3,531,200,000
Private deposits	14,744,900,000	14,744,900,000	7,581,200,000
Treasury certificates	8,311,200,000	8,311,200,000	10,477,000,000
Notes of other banks.....	1,700,000	1,700,000	4,700,000
Securities	6,050,200,000	6,050,200,000	6,163,900,000
Circulation	70,321,000,000	70,321,000,000	71,986,700,000
Other liabilities	912,700,000	912,700,000	830,200,000
War loan notes.....	8,706,600,000	8,706,600,000	8,656,000,000
Bank rate	5%	5%	5%

That for France is in francs and gives the same comparison as the British statement:

	July 7 '21.	June 30, '21.	July 8, '20.
Gold	5,520,500,000	5,520,300,000	5,588,500,000
Silver	274,500,000	274,300,000	274,400,000
Loans and discounts	5,108,100,000	5,194,200,000	4,295,700,000
Circulation	37,667,000,000	37,422,000,000	38,012,100,000
Deposits	2,689,300,000	2,770,500,000	3,408,100,000
War advances to State	25,300,000,000	25,000,000,000	26,100,000,000
Bank rate	6	6	6